

Board of Directors

Minutes of meeting dated 14 October 2021 (ref. BD/MIN/385/2021)

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

Board of Directors

Meeting held on 14 October 2021 at 10.00

Updated agenda

QUORUM

APPROVAL OF AGENDA

Doc. 21/297

APPROVAL OF MINUTES

- | | | |
|----|---|--------------------|
| 1. | Board meeting dated 16 September 2021* | BD/MIN/383/2021 |
| 2. | Written procedure dated 29 September 2021 | BD/MIN/WP/384/2021 |

OPERATIONS

Agenda A

Equity

- | | | |
|----|--|-------------|
| 3. | Bravo Capital Partners II SCA-SICAV-RAIF | Doc. 21/298 |
| 4. | Diorama Investments II RAIF, S.C.A. | Doc. 21/299 |

Diversified Debt Funds

- | | | |
|----|--|-------------|
| 5. | Federated Hermes European Direct Lending Fund II
<i>Pan-European Guarantee Fund - Senior Private Credit Funds</i> | Doc. 21/300 |
| 6. | Fresh Closed SME Fund I
<i>Dutch Alternative Credit Instrument,
Pan-European Guarantee Fund - Senior Private Credit Funds</i> | Doc. 21/301 |

Guarantees

- | | | |
|----|--|-------------|
| 7. | Eurobank Bulgaria AD (Bulgaria)
<i>Pan-European Guarantee Fund – Uncapped Guarantee</i> | Doc. 21/302 |
| 8. | Eurobank Bulgaria AD (Bulgaria)
<i>Pan-European Guarantee Fund – Capped Guarantee</i> | Doc. 21/303 |

Mandates and Products

- | | | |
|----|---|-------------|
| 9. | Standardised NPI Mandate - SEGIP increase | Doc. 21/304 |
|----|---|-------------|

Agenda B

Equity

- | | | |
|-----|---|-------------|
| 10. | Almaz Capital Fund III SCSp – additional commitment | Doc. 21/305 |
| 11. | Innobio 2 | Doc. 21/306 |

Guarantees

- | | | |
|-----|--|-------------|
| 12. | BNL – Minerva 2021 (Italy)
<i>Credit enhancement (EIF fronted transaction) (EIB EFSI Hybrid Window)</i> | Doc. 21/307 |
| 13. | Malta Development Bank (Malta)
<i>Pan-European Guarantee Fund – Uncapped Guarantee</i> | Doc. 21/308 |
| 14. | Malta Development Bank (Malta)
<i>Pan-European Guarantee Fund – Uncapped Counter-Guarantee</i> | Doc. 21/309 |
| 15. | Bank of Cyprus Public Co Ltd (Cyprus)
<i>Cyprus Entrepreneurship Fund</i> | Doc. 21/310 |
| 16. | Agro & Social Fund (Albania)
<i>EaSI Funded Instrument</i> | Doc. 21/311 |
| 17. | FED Invest (Albania) – increased allocation
<i>EaSI Guarantee Instrument - Microfinance</i> | Doc. 21/312 |

CORPORATE AND INSTITUTIONAL MATTERS

- | | | |
|-----|---|-------------|
| 18. | <i>Item postponed</i> | |
| 19. | EIB Group Paris Alignment of Counterparties framework | Doc. 21/314 |
| 20. | Calendar of meetings of the Board of Directors – H1 2022* | Doc. 21/315 |

FOR INFORMATION

- | | | |
|-----|---|-------------|
| 21. | EIF Operational Plan 2022-2024 – seminar* | Doc. 21/316 |
| 22. | Sustainability, Policy and Climate ("SPC") Framework – presentation | Doc. 21/317 |
| 23. | Climate Risk at EIF – presentation | Doc. 21/318 |
| 24. | EU Taxonomy and Platform on Sustainable Finance – presentation | Doc. 21/319 |
| 25. | EIF Quarterly report Q3 2021* | Doc. 21/320 |
| 26. | Monthly update on limits and liquidity ratios* | Doc. 21/321 |
| 27. | EIF Information Security – Regular Update | Doc. 21/322 |

MISCELLANEOUS / STATEMENTS

DATE OF NEXT MEETING: 18 NOVEMBER 2021

* *Late dispatch*

Meeting attendance

Members	Alternate members
W. HOYER, Chairman	A. EBERHARDS
A. FAYOLLE	E. KREIVI
M. DESCHEEMAECKER	J.-C. LALOUX
M. PETROVA ¹	M. SCICLUNA BARTOLI ²
K. SCHREIBER	
M. SCHULTE	
E. WITT	
Chief Executive	Deputy Chief Executive
A. GODARD	R. HAVENITH
Secretary	
M. LEANDER	

¹ Acting as full member, pending the appointment of the successor to C. DIAZ ALVAREZ DE TOLEDO.

² Present up to and including item 21.

The CHAIRMAN declared the Board meeting open at 10:00.

Quorum

The SECRETARY confirmed that there was a quorum.

The SECRETARY noted that Ms. PETROVA was acting as full member, pending the appointment of a successor to Ms. DIAZ ALVAREZ DE TOLEDO.

Approval of agenda

The Board of Directors adopted the agenda as presented in document 21/297, including the postponement of item 18, which had been foreseen for submission via late dispatch, as communicated to the Board on 4 October 2021.

Approval of minutes

1. Board meeting dated 16 September 2021

The Board of Directors approved the minutes of the Board meeting dated 16 September 2021, ref. BD/MIN/383/2021 and took note of the forthcoming publication on the EIF's website.

2. Written procedure dated 29 September 2021

The Board of Directors approved the minutes of the written procedure dated 29 September 2021, ref. BD/MIN/WP/384/2021 and took note of the forthcoming publication on the EIF's website.

Operations

Agenda A

Equity

3. **Bravo Capital Partners II SCA-SICAV-RAIF**

Pan-European Guarantee Fund ("EGF") – Target Fund Size Facility

Generalist private equity fund focusing on lower mid-market investments in Italy

The Board of Directors approved an investment on the terms and conditions set out in document 21/298.

4. **Diorama Investments II RAIF, S.C.A.**

Pan-European Guarantee Fund – Target Fund Size Facility

Generalist private equity fund focusing on lower mid-market investments primarily in Greece

The Board of Directors approved an investment on the terms and conditions set out in document 21/299.

Diversified Debt Funds

5. **Federated Hermes European Direct Lending Fund II**

Pan-European Guarantee Fund – Senior Private Credit Funds

Diversified debt fund providing senior financing with a focus on European SMEs and small mid-caps, primarily in the Nordic countries, Germany and the Benelux countries

The Board of Directors approved an equity investment on the terms and conditions set out in document 21/300.

6. **Fresh Closed SME Fund I**

Pan-European Guarantee Fund – Senior Private Credit Funds, Dutch Alternative Credit Instrument

Diversified debt fund providing senior financing with a focus on SMEs in the Netherlands

The Board of Directors approved an equity investment on the terms and conditions set out in document 21/301.

Guarantees

7. Eurobank Bulgaria AD (Bulgaria)

Pan-European Guarantee Fund – Uncapped Guarantee

Direct guarantee to enhance access to finance for SMEs affected by the COVID-19 crisis in Bulgaria

The Board of Directors approved a maximum guarantee amount on the terms and conditions set out in document 21/302.

8. Eurobank Bulgaria AD (Bulgaria)

Pan-European Guarantee Fund – Capped Guarantee

Direct guarantee to enhance access to finance for SMEs affected by the COVID-19 crisis in Bulgaria

The Board of Directors approved a maximum guarantee cap amount on the terms and conditions set out in document 21/303.

Mandates and Products

9. Standardised NPI Mandate - SEGIP increase

Resources from SID Banka, to be matched by the EIF with suitable EIF-managed resources on an investment-by-investment basis

Increase of an existing mandate to support SMEs and lower-mid caps in Slovenia by targeting investments in both venture capital and private equity funds and contribute to Slovenia's economic recovery from the COVID-19 crisis

The Board of Directors approved an increase of the existing mandate on the terms and conditions set out in document 21/304.

Agenda B

Equity

10. Almaz Capital Fund III SCSp – additional commitment

Pan-European Guarantee Fund – Target Fund Size Facility

Venture capital fund focusing on early to early growth stage ICT investments in Central Eastern Europe

The Board of Directors approved an additional commitment on the terms and conditions set out in document 21/305.

11. Innobio 2

Pan-European Guarantee Fund – Target Fund Size Facility

Venture capital fund focusing on early stage life sciences investments, with a focus on therapeutics, primarily in France

[...]

The Board of Directors approved an investment on the terms and conditions set out in document 21/306.

Guarantees

12. BNL – Minerva 2021 (Italy)

Credit enhancement (EIF fronted transaction) (EIB EFSI Hybrid Window)

Risk transfer transaction on a portfolio of loans to enhance access to finance for SMEs and small mid-caps affected by the COVID-19 crisis in Italy

The Board of Directors approved a guarantee amount on the terms and conditions set out in document 21/307.

13. Malta Development Bank (Malta)

Pan-European Guarantee Fund – Uncapped Guarantee

Direct guarantee to enhance access to finance for SMEs and small mid-caps affected by the COVID-19 crisis in Malta

The Board of Directors approved a maximum guarantee amount on the terms and conditions set out in document 21/308.

14. Malta Development Bank (Malta)

Pan-European Guarantee Fund – Uncapped Counter-Guarantee

Counter-guarantee to enhance access to finance for SMEs and small mid-caps affected by the COVID-19 crisis in Malta

The Board of Directors approved a maximum counter-guarantee amount on the terms and conditions set out in document 21/309.

15. Bank of Cyprus Public Co Ltd (Cyprus)

Cyprus Entrepreneurship Fund

Portfolio risk sharing loan to enhance access to finance for SMEs and mid-caps affected by the COVID-19 crisis in Cyprus

The Board of Directors approved a maximum commitment amount on the terms and conditions set out in document 21/310.

16. Agro & Social Fund (Albania)

EaSI Funded Instrument

Senior loan to enhance access to microcredits in niche market segments such as low income, small and informal businesses, farmers and vulnerable groups (e.g. women, youth), notably in rural and semi-urban areas in Albania

The Board of Directors approved a principal amount on the terms and conditions set out in document 21/311.

17. FED Invest (Albania) – increased allocation

EaSI Guarantee Instrument - Microfinance

Direct guarantee to enhance access to finance for micro-enterprises in Albania, particularly in rural areas and the agricultural sector

The Board of Directors approved an increase of the maximum guarantee cap amount on the terms and conditions set out in document 21/312.

Corporate and institutional matters

18. Item postponed

19. EIB Group Paris Alignment of Counterparties framework

In his capacity as EIB Vice-President having financing of the environment and climate action within his areas of oversight, Mr. FAYOLLE introduced the proposed EIB Group Paris Alignment of Counterparties framework or “PATH”. He stated that it had been approved by the EIB’s Board of Directors the previous day and highlighted that, subject also to the Board’s approval, it would be announced at the forthcoming UN Climate Change Conference, “COP 26”. He outlined the PATH objective to broaden the EIB Group’s initial focus on individual project alignment with Paris Agreement goals to also encompass the wider relevance of financial intermediaries’ climate-related policies and practices. He also noted the relevance to the EIF of the tighter standards in the draft EIB Environmental and Social Sustainability Framework (“ESSF”), regarding the environmental performance of financial intermediaries.

The CHIEF EXECUTIVE noted the good intra-Group cooperation in this area and underlined the importance of raising awareness and assisting the EIF's counterparties in their transition towards Paris Alignment. He expanded on how PATH requirements would be implemented by the EIF, becoming an integral part of appraisal and due diligence procedures through a dedicated questionnaire, the sharing of best practices, and the contractual requirement for public disclosures from the financial intermediaries in line with the recommendations of the Task Force on Climate-related Financial Disclosures. As part of the EIF's transition towards a more thematic approach, including in this sphere, he referred to the EIF's need to adapt systems and reporting.

The Board welcomed the PATH [...].

The Board of Directors approved the EIF Group Paris Alignment of Counterparties framework, as presented in document 21/314.

20. Calendar of meetings of the Board of Directors – H1 2022

The Board of Directors approved the calendar of meetings of the Board of Directors for H1 2022, as presented in document 21/315.

For information

21. EIF Operational Plan 2022-2024 – seminar

[...]

The Board of Directors took note of the EIF Operational Plan 2022-2024 as presented for information in document 21/316, in preparation for the first reading at the November Board meeting.

22. Sustainability, Policy and Climate ("SPC") Framework – presentation

In order to allow sufficient time for a discussion of the information presented under items 22-24, the Board took note that a specific Board seminar would be organised on a standalone basis in the coming weeks.

The Board of Directors took note of the Sustainability, Policy and Climate ("SPC") Framework, as presented in document 21/317.

23. Climate Risk at EIF – presentation

The Board of Directors took note of the Climate Risk at EIF, as presented in document 21/318.

24. EU Taxonomy and Platform on Sustainable Finance – presentation

The Board of Directors took note of the EU Taxonomy and Platform on Sustainable Finance, as presented in document 21/319. [...].

25. EIF Quarterly report Q3 2021

The Board of Directors took note of the EIF Quarterly report Q3 2021, as presented in document 21/320.

26. 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 21/321.

27. EIF Information Security – Regular Update

The Board of Directors took note of the EIF Information Security – Regular Update, as presented in document 21/322.

Miscellaneous / statements

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

Date of next meeting

The Board of Directors noted that the next meeting was foreseen to take place on 18 November 2021.

The meeting was closed at 12:25.

Luxembourg, 14 October 2021.

The CHAIRMAN *(signed)*

Werner HOYER

The SECRETARY *(signed)*

Maria LEANDER