

BOARD OF DIRECTORS

Minutes of the meeting held in Luxembourg on 10 December 2018

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* http://www.eif.org/news_centre/publications/EIF_Transparency_policy.htm?lang=-en

BOARD OF DIRECTORS

Meeting held in Luxembourg on 10 December 2018

Agenda

A. Quorum

B. For decision

- | | | |
|----|---|----------------------|
| 1. | Adoption of the agenda | Doc. 18/357 |
| 2. | Approval of minutes dated 12 November 2018 | BD/MIN/310/2018 |
| 3. | Approval of confidential minutes dated 12 November 2018 | BD/MIN/CONF/310/2018 |
| 4. | Approval of minutes of written procedure dated 28 November 2018 | BD/WP/MIN/311/2018 |

AGENDA A

Equity

- | | | |
|----|------------------------------------|-------------|
| 5. | Fortino Capital II Growth ARKIV NV | Doc. 18/358 |
| 6. | Nazca Small Cap Fund I | Doc. 18/359 |

Hybrid Debt-Equity

- | | | |
|----|-------------------|-------------|
| 7. | Indigo Capital II | Doc. 18/360 |
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Guarantees

- | | | |
|----|---|-------------|
| 8. | Banco BPM 2018 Synthetic (Italy)
Credit enhancement (EIF fronted transaction)
(EIB EFSI Infrastructure and Innovation Window) | Doc. 18/361 |
| 9. | Banco de Sabadell S.A. (Spain)
InnovFin SME Guarantee Facility | Doc. 18/362 |

10. [...]

11. [...]

- | | | |
|-----|---|-------------|
| 12. | CREVAL S.p.A. (Italy)
AGRI Multi-Regional Guarantee Platform for Italy | Doc. 18/365 |
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- | | | |
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| 13. | ICCREA BancalImpresa S.p.A. (Italy)
AGRI Multi-Regional Guarantee Platform for Italy | Doc. 18/366 |
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Diversified debt funds

- | | | |
|-----|----------------------|-------------|
| 14. | Creditshelf SME Fund | Doc. 18/367 |
|-----|----------------------|-------------|

Mandates and Products

- | | | |
|-----|---|-------------|
| 15. | ESIF – ERDF Malta Energy Efficiency Initiative | Doc. 18/368 |
| 16. | Direct investments in SME ABS in 2019-2020 – <i>late dispatch</i> | Doc. 18/369 |
| 17. | ESIF – EAFRD Greece | Doc. 18/370 |

AGENDA B

Guarantees

18. Tenax Capital Limited (Italy) – increased allocation Doc. 18/371
InnovFin SME Guarantee Facility

Mandates and Products

19. EaSI Funded Instrument: update – *late dispatch* Doc. 18/372

C. Corporate and Institutional Matters

1. Corporate Operational Plan 2019-2021: second reading Doc. 18/374
2. Policy for the proposal of net income distribution to EIF's shareholders Doc. 18/375

D. For information

1. EIB Operations Evaluation Activity Report (2016-2018) and Work Programme (2019-2021) Doc. 18/376
2. EIB Group communications strategy update Doc. 18/377*
3. EIF Risk Appetite Framework Dashboard Q3 2018 Doc. 18/378
4. Risk Sharing Instrument (RSI) implementation update Doc. 18/379
5. InnovFin SME Guarantee Facility implementation update Doc. 18/380
6. Report on Funds-of-Funds advised by EIF as at 30 June 2018 Doc. 18/381
7. Board of Directors follow-up programme Doc. 18/382

E. Miscellaneous / Statements

F. Date of next meeting: 4 February 2019 in Luxembourg

G. Confidential sessions

1. Compliance private session

* Presentation to be made available at the meeting.

BOARD OF DIRECTORS

Those attending

Members:

D. SCANNAPIECO¹
E. MASSÉ
M. DESCHEEMAECKER
I. SCHWIMANN²
P. LAGARDE³

Alternate Members:

J.-C. LALOUX
E. KREIVI
M. HEIPERTZ⁴
M. SCICLUNA BARTOLI

Chief Executive:

P.L. GILIBERT

Deputy Chief Executive:

R. HAVENITH

Secretary:

M. LEANDER

Absent:

A. FAYOLLE¹
B. ANGEL²

¹ Power of attorney issued by Mr. FAYOLLE to Mr. SCANNAPIECO.

² Power of attorney issued by Mr. ANGEL to Ms. SCHWIMANN.

³ Present from the start of agenda B.

⁴ Joined at 11.15 during item C.1.

The meeting of the Board of Directors ("Board") opened at 10:05.

A. QUORUM

The CHAIRMAN noted that Mr. FAYOLLE and Mr. ANGEL were not participating and had issued powers of attorney to, respectively, himself and Ms. SCHWIMANN.

The SECRETARY noted that there was a quorum.

B. FOR DECISION

1. Adoption of the agenda

At the request of Ms. SCHWIMANN, item 9 was moved for discussion under Agenda B.

The CHAIRMAN informed the Board that, at the request of a member of the Board, an additional confidential item would be included for discussion under section G.

The Board of Directors adopted the agenda, as presented in document 18/357, including modifications resulting from the aforementioned requests.

2. Approval of minutes dated 12 November 2018

The Board of Directors approved the minutes of the Board meeting dated 12 November 2018, ref. BD/MIN/310/2018 and took note of the forthcoming publication on the EIF's website.

3. Approval of confidential minutes dated 12 November 2018

The Board of Directors approved the confidential minutes of the closed Board session dated 12 November 2018, ref. BD/MIN/CONF/310/2018.

4. Approval of minutes of written procedure dated 28 November 2018

The Board of Directors approved the minutes of the written procedure dated 28 November 2018, ref. BD/WP/MIN/311/2018 and took note of the forthcoming publication on the EIF's website.

AGENDA A

EQUITY

5. Fortino Capital II Growth ARKIV NV

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

Venture capital fund focusing on growth stage ICT companies primarily in the Benelux region.

The Board of Directors approved an investment in Fortino Capital II Growth ARKIV NV, on the terms and conditions set out in document 18/358.

6. Nazca Small Cap Fund I

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

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

The Board of Directors approved an investment in Nazca Small Cap Fund I, on the terms and conditions set out in document 18/359.

HYBRID DEBT-EQUITY

7. Indigo Capital II

EIB-EIF Mid-Cap Funds Investment Facility,
Risk Capital Resources, own resources

Generalist hybrid debt equity fund focusing on mid-market and lower mid-market investments primarily in France.

The Board of Directors approved an investment in Indigo Capital II, on the terms and conditions set out in document 18/360.

GUARANTEES

8. Banco BPM 2018 Synthetic (Italy)

Credit enhancement (EIF fronted transaction)
(EIB EFSI Infrastructure and Innovation Window)

Synthetic securitisation transaction on a portfolio of mid-corporate loans to enhance access to finance for SMEs and small mid-caps in Italy.

The Board of Directors approved a guarantee amount for an EIF fronted credit enhancement transaction, on the terms and conditions set out in document 18/361.

9. For discussion under Agenda B.

10. [...]

11. [...]

12. CREVAL S.p.A. (Italy)

AGRI Multi-Regional Guarantee Platform for Italy

Direct guarantee to enhance access to finance for farmers, SMEs and small mid-caps in the agricultural and agro-industrial sectors in contributing regions in Italy.

The Board of Directors approved a guarantee amount, on the terms and conditions set out in document 18/365.

13. ICCREA BancalImpresa S.p.A. (Italy)

AGRI Multi-Regional Guarantee Platform for Italy

Direct guarantee to enhance access to finance for farmers, SMEs and small mid-caps in the agricultural and agro-industrial sectors in contributing regions in Italy.

The Board of Directors approved a guarantee amount, on the terms and conditions set out in document 18/366.

DIVERSIFIED DEBT FUNDS

14. Creditshelf SME Fund

Diversified debt fund providing senior financing to SMEs and small mid-caps in Germany.

The Board of Directors approved the transaction, on the terms and conditions set out in document 18/367.

MANDATES AND PRODUCTS

15. ESIF – ERDF Malta Energy Efficiency Initiative

New mandate to be managed by the EIF to set up and implement a first loss portfolio guarantee instrument to enhance the financing of energy efficiency and renewable energy projects for households and enterprises in Malta.

The Board of Directors approved the new mandate including an initial contribution from the Maltese Operational Programme 2014-2020, on the terms and conditions set out in document 18/368.

16. Direct investments in SME ABS in 2019-2020

An extended availability period and additional amount of EIF own resources for the further deployment of direct investments in asset-backed securities issued out of securitisations focusing on SME assets.

The Board of Directors approved the deployment of new ABS investments for the period 2019-2020, on the terms and conditions set out in document 18/369.

17. ESIF – EAFRD Greece

New mandate to be managed by the EIF to facilitate access to finance for farmers and agribusinesses in Greece.

The Board of Directors approved the new mandate, including a contribution from the Hellenic Rural Development Program, and, potentially, the EFSI Second Loss Combinations Product, on the terms and conditions set out in document 18/370.

AGENDA B

GUARANTEES

9. Banco de Sabadell S.A. (Spain)

InnovFin SME Guarantee Facility

Direct guarantee to enhance access to finance for innovative SMEs and small mid-caps in Spain.

[...]

The Board of Directors approved a principal guarantee amount, on the terms and conditions set out in document 18/362 [...].

18. Tenax Capital Limited (Italy) – increased allocation

InnovFin SME Guarantee Facility

Direct guarantee to enhance access to finance for innovative SMEs and small mid-caps in Italy.

The Board of Directors approved an increase of the principal guarantee amount, on the terms and conditions set out in document 18/371 [...].

MANDATES AND PRODUCTS

19. EaSI Funded Instrument: update

Mandate managed by the EIF to facilitate access to finance for micro-enterprises (including self-employed individuals) and social enterprises, with a view to countering unemployment and promoting social and financial inclusion in eligible countries.

The Board discussed the changes having occurred since the initial approval of the mandate and the elements which still remained subject to confirmation. [...]

The CHIEF EXECUTIVE stated that the final structure would be submitted to the Board, subject to a successful conclusion of the outstanding matters.

The Board of Directors approved, starting with immediate effect, an extension to the validity period of the Board's approval of the mandate, as requested in document 18/372.

C. CORPORATE AND INSTITUTIONAL MATTERS

1. Corporate Operational Plan 2019-2021: second reading

[...]

The Board of Directors approved the Corporate Operational Plan 2019-2021 as presented for second reading in document 18/374, including the additional changes discussed in the meeting, and the submission of further editorial modifications by 17 December 2018. The Board noted that a final version would be circulated for information.

2. Policy for the proposal of net income distribution to EIF's shareholders

[...]

The Board noted that the policy would be presented to the EIF's Financial Institutions Shareholder Group in Q1 2019, in anticipation of the proposal for the appropriation of net income and distribution of dividends for 2018 being submitted to the Board of Directors and the Annual General Meeting.

The Board of Directors approved the Policy for the proposal of net income distribution to EIF's shareholders, as set out in document 18/375 [...].

D. FOR INFORMATION

1. EIB Operations Evaluation Activity Report (2016-2018) and Work Programme (2019-2021)

The Board of Directors took note of the EIB Operations Evaluation Activity Report (2016-2018) and Work Programme (2019-2021), as presented in document 18/376.

2. EIB Group communications strategy update

The Board was presented with information on the EIF's marketing and communications activities, as part of a coordinated approach with the EIB, entailing a group effort towards communication, strategic direction and event planning. The Board discussed the importance of the EIF significantly increasing its social media presence through appropriate channels, including developing further opportunities for dissemination in collaboration with EIB front office counterparts. The Board also discussed the importance of communications presenting a balance across the different areas of activity and objectives targeted by the EIF.

The Board of Directors took note of the presentation, as provided in document 18/377.

3. EIF Risk Appetite Framework Dashboard Q3 2018

The Board of Directors took note of the EIF Risk Appetite Framework Dashboard Q3 2018, as presented in document 18/378.

4. Risk Sharing Instrument (RSI) implementation update

The Board of Directors took note of the Risk Sharing Instrument (RSI) implementation update, as presented in document 18/379.

5. InnovFin SME Guarantee Facility implementation update

The Board of Directors took note of the InnovFin SME Guarantee Facility implementation update, as presented in document 18/380.

6. Report on Funds-of-Funds advised by EIF as at 30 June 2018

The Board of Directors took note of the Report on Funds-of-Funds advised by EIF as at 30 June 2018, as presented in document 18/381.

7. Board of Directors follow-up programme

The Board of Directors took note of the Board of Directors follow-up programme, as presented in document 18/382.

E. MISCELLANEOUS / STATEMENTS

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

F. DATE OF NEXT MEETING

The Board of Directors agreed that the next meeting would take place in Luxembourg on Monday 4 February 2019.

The main meeting was closed at 12:00 and was followed by a confidential session and the annual private session between the Board and the Head of Compliance.

Luxembourg, 10 December 2018.

The CHAIRMAN (signed)

Dario SCANNAPIECO

The SECRETARY (signed)

Maria LEANDER