

BOARD OF DIRECTORS

Minutes of the meeting held via video/phone conference on Monday, 15 April 2024

Parts of this document that, at the time of the meeting, fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...]

In attendance

Chairperson: Ms N. CALVIÑO

EIB Vice Presidents:

Ms T. CZERWIŃSKA

Ms N. BEER

Ms G. VIGLIOTTI

Mr R. de GROOT

Mr K. KAKOURIS

Vacant Position

Directors:

Mr M. ARGHYROU

Mr M. POLÓNYI

Ms A. BJÖRNERMARK

Mr M. PRECUP

Mr F. CARTAXO

Mr E. RUIZ de VILLA SAIZ

Mr D. CARVILLE

Ms K. RYSAVY

Mr C. CONSTANTINIDES

Ms K. SARJO

Mr H. D'HONDT

Mr L. SIPOS-TOMPA

Mr A. EBERHARDS

Mr A. ŠKOBERNE

Ms E. FLORES GUAL

Mr T. SKURZEWSKI

Mr A. JACOBY

Ms J. SONNE

Ms E. KALLENBACH

Mr M. SPITERI

Ms M. LACOUE-LABARTHE

Mr D. TRAKELIS

Mr M. METHODIEV

Ms F. UTILI

Mr P. PAVELEK

Mr R. UYTERLINDE

Mr M. PÖDER

Mr D. ZORIČIĆ

Expert Member:

Vacant positions

Alternate Directors:

Ms A. af URSIN

Mr J. LICARI

Ms G. BEREMSKA

Mr Q. NAVARO-AUBURTIN

Ms S. BLOMENHOFER

Mr M. MARQUES

Ms R. CAETANO

Ms F. MERCUSA

Ms E. CARLSSON

Ms E. PITTA

Ms B.F. CUCU

Mr C. REININGER

Mr J. de BOER

Ms I. ŠPIRIĆ

Mr P. FRÖHLICH

Mr M. TABACZAR

Ms I. GARAYO ORBE

Ms J. UZIELIENE

Ms B. GIANNINI

Ms S. VALTONEN

Ms L. HALBRECQ

Ms I. ZÁTROK

Mr R. HŘEBÍK

Mr M. ZDOVC

Mr H. KAELBLE

Ms A. ZITCERE

Ms R. LAIGO

Vacant position

Mr C. LAMBROPOULOS

Alternate Expert Members:

Vacant positions

Secretary:

Mr S. ABELANDA MALLON

Mr M. DOWGIELEWICZ

Ms B. BALKE

Mr F. SCHUSTER

Ms E. BOIS-WILLAERT

Absent

EIB Vice Presidents:

Mr A. FAYOLLE

Mr T. ÖSTROS

Alternate Directors:

Mr M. PHILIPPOT

Mr M. TAGGART

The Chairperson declared the meeting open at 09:00.

1. Quorum

The Chairperson recorded that there was a quorum.

2. Agenda and declaration of conflicts of interest

The agenda (Doc 24/109) was adopted. No conflicts of interest were declared.

3. Statements by the Chairperson

The Chairperson briefed the Board of Directors on the EIB Group Security and Defence Industry Action Plan presented at the ECOFIN meeting held in Luxembourg on 12 April 2024. She highlighted the constructive discussions on adapting lending policies to strengthen and accelerate the EIB Group support to Europe security and defence industry, addressing the needs of the sector, and speeding up the deployment of investments under the Strategic European Security Initiative, while safeguarding the EIB Group financing capacity and highest environmental, social and governance standards. Furthermore, the Chairperson informed the Board on the Action Plan she presented to the Ministers which includes:

- Broadening the scope and definition of dual-use projects, no longer requiring evidence that more than 50% of the revenues come from the civil use.
- Opening EIB Group dedicated credit lines for SMEs to companies active in the security and defence sector.
- Establishing a dedicated Task Force and a one-stop shop within the EIB Group for the security and defence sector.
- Reinforcing existing partnerships and building new ones, including updating the memorandum of understanding with the European Defence Agency to enhance the cooperation in providing bridge financing.
- Improving the access of financial support start-ups developing emerging and disruptive technologies in coordination with the NATO Innovation Fund, while fully deploying the Defence Equity Facility launched by the European Investment Fund.

Finally, the Chairperson stressed the EIB Group confidence on the deployment of the Action Plan while safeguarding the financing capacity and the Group's AAA rating, referring to discussions with investors and close monitoring of the markets' behaviours.

In the ensuing discussion, the Board members enquired about the timeline for the approval process of the Action Plan and the potential need to review the EIB Eligibility, Excluded Activities and Excluded sectors list while stressing the importance of a timely access to the relevant information, prior to its discussion and publication, to ensure a good decision-making process also in view of the specific character of the security and defence policy of certain Member States. Furthermore,

analyses of the security and defence market, including the expected effect of the Action Plan on addressing market failures, and of its effect vis-à-vis funding, were requested.

The Chairperson explained that the assessment on the need to review any EIB policy was ongoing and confirmed that the Action Plan would be submitted to the Board of Directors during the May Board meeting, including relevant information available with regard to, *inter alia*, potential impact to the Bank's financing capacity. In relation to the request for a full market analysis, the Chairperson clarified that the Bank is performing a continuous assessment of market needs and that support from the European Commission, having already performed such analysis, would also be welcomed.

Operations/Other operational questions

Operations within the European Union

Multi Beneficiary Investment Loan

4. BPCE ABS Innovation (FR)

(Doc 24/113)

Borrower: SPECIAL PURPOSE ENTITY(IES)/FUND(S)
Max. amount: EUR 750m

The Management Committee introduced the operation originated by Banque Populaire and Caisse d'Épargne (BPCE) that aims to fuel innovation activities advancing innovation objectives including cutting-edge technologies, R&D and digital transformation.

The Bank's management confirmed that BPCE's exposure to Russia was minimal, having stopped most of the transactions and ceased any new financing. Addressing a question from a Board member, it was confirmed that the text of the most updated compliance opinions would be incorporated to the Board reports.

Finally, a Board member welcomed the innovative shift towards the inclusion of ABS to broaden the array of financial instrument available and called the Bank to diversify the financial intermediaries to implement this capital market tool. The Bank's management provided an update on EIB's exposure to BPCE while stressing their performance on allocations also reaching out to cohesion regions and clarified the key performance indicators of the portfolio.

In the absence of any further comments, the Chairperson recorded that the Board of Directors approved the financing proposal.

Guarantee

5.LRS – EU Lending Envelope Risk Sharing Instrument (Regional – EU Countries)

(Doc 24/114)

Beneficiary: ACCEPTABLE BANK(S)
Max. amount: EUR 2,000m

The Bank Management invited the Board to approve the Lending Envelope for new linked risk sharing operations in EU Member States, with acceptable financial institutions aimed to enhancing financing to Midcaps companies and public sector entities.

A Board member enquired about the possibility of maximising the additionality and impact of such envelopes to specific objectives such as climate, innovation or cohesion while mobilising private financing. Clarity on the opportunity-cost and the impact of the risk sharing products was also requested.

The Bank's management outlined the main elements of its strategy in increasing climate targets, and more broadly, in enhancing diversification of the EIB's business as a key objective with intermediaries, by region and product. Additionally, and in line with the existing lending envelopes reporting requirements, the Board of Directors would be kept informed with the sectorial and capital consumption analysis prior to any further increase of such envelope.

In the absence of any further comments, the Chairperson recorded that the Board of Directors approved the financing proposal.

Other Operational Questions

6. AVE Y Vasca Extension (ES) – Change(s) after Board Approval (Doc 24/115)

Following the progress achieved in the project and its updated implementation calendar, the Management Committee invited the Board of Directors to approve:

- i) a second and final extension of the loan signature authorisation to 19 September 2024,*
- ii) an extension to the project completion date from January 2024 to December 2035, and*
- iii) the replacement of a signature condition identified in the initial approval of the operation by the Board of Directors by a disbursement condition to be applied to specific sub-components of the project.*

Several Board members expressed their support to the project while acknowledging its complexity.

Addressing a question on this project's impact to capital consumption, the Bank's management explained how the use of tranches highly mitigates the negative impact that very large infrastructure projects delays can cause on the efficient use of the EIB's gearing ratio. Additionally, the Bank's management outlined the EIB's plan to minimise the signed and un-disbursed loans aiming at balance sheet optimisation, including measures such as the automatic cancellation of contracts after reaching their final availability date, or shortening the deadline for payment of non-utilisation fees.

In the absence of any further comments, the Chairperson recorded that the Board of Directors approved the second extension of the loan signature authorisation, the extension of the project completion date and the replacement of the signature condition by the disbursement condition.

Miscellaneous

7. Date of the next meeting:

The Chairperson announced that the next meeting would be held on Wednesday, 8 May 2024 in Luxembourg starting at 9:00.

The Chairperson declared the meeting closed at 10:00.

Annexes

Annex 1: Proposals submitted by written procedure

Proposals submitted by written procedure

Approval by the Board of Directors, of the following proposals submitted by written procedure during the period since the previous meeting on 21 March 2024 was recorded:

Approval on 12/04/2024

Miscellaneous

- i. Nomination of Member of the Management Committee of the EIB (Doc 24/116)**