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Item 3.1

For information

Annual General Meeting

Activity Report by the Chair of the Board of Directors

Nadia Calviño, President of the European Investment Bank

Activity Report by the Chair of the Board of Directors

1 Introduction

Dear Shareholders,

It is my pleasure to address you after my first year as Chair of the EIF's Board of Directors, and I do so with a strong sense of pride. Pride in the successful performance that is presented in the EIF's Annual Report, and in the excellent work of the EIF executive and senior management and staff who are behind this delivery. As I often say, staff across the Group are our greatest asset. The EIF is well recognised and praised for the important role that it is playing in supporting Europe's vibrant venture capital ecosystem and supporting SMEs and startups in Europe and beyond, and this is a reflection of the work and dedication of the colleagues. It also contributes to my pride in being European as we navigate a very changing world.

I will take this opportunity to focus firstly on some of the key considerations from 2024 which are presented in the Annual Report, submitted for your approval today.

2 Achievements and challenges in 2024

In 2024, the EIF celebrated its 30th anniversary. These are three decades of empowering European businesses, securing jobs and fostering innovation with financial instruments as a sustainable method to mobilise public resources.

It was a year of many records across the EIB Group and, at the EIF, the Board welcomed several achievements:

- investments of over EUR 14 billion in SMEs and innovators, including some EUR 7 billion in equity investments, of which over half a billion euros in greentech funds;
- an operating profit of over EUR 263 million, and

- 43% of all operations that qualified as green financing, enabling the EIB Group as a whole to reach, for the first time, the 60% green finance target.

And there were other “firsts” at the Fund.

From an operational perspective:

- we approved the first operations under the InvestEU Export Credit Pilot dedicated to support SMEs and small mid-caps exporting goods and/or services to Ukraine,
- a Memorandum of Understanding was signed with the NATO Innovation Fund, focusing on funding for start-ups, SMEs and midcaps in the defence, security, and resilience sectors, and
- first transactions were approved and signed with a focus on dual-use defence technologies.

We have also been very pleased with the continued successful implementation of the European Tech Champions Initiative or “ETCI”. In spite of the challenging fundraising environment, well over half of the EUR 3.45 billion facility has now been committed in eight scale-up funds, with a strong pipeline to achieve full deployment and a good basis on which to build our next scale-up initiative.

From a governance perspective, I will highlight just two of last year’s developments.

- Firstly, an extensive organisational restructuring of the EIF was completed, spearheaded by the Chief Executive, to modernise and rationalise the EIF’s internal set-up.
- Secondly, an EIF Ethics and Compliance Committee was established, within the EIB Group’s ethics and compliance environment.

More broadly, we improved the group approach, exploiting the synergies between the EIF and the EIB, ensuring that we work better together, avoiding duplications, maximizing efficiencies and reinforcing our readiness to respond to the growing challenges and needs of Europe in this new world environment.

3 Looking ahead

Looking ahead, the Board will continue to focus on the EIB Group's eight strategic priorities and where the EIF can be most impactful, observing that the EIF has become more relevant than ever.

As a Group, we need to persist in increasing efficiencies and speed of delivery. Areas of focus include:

- the simplification of our mandates, including in terms of administrative and reporting burden for companies, especially SMEs,
- the streamlining and optimisation of resources under mandates, most notably InvestEU, and
- maximizing efforts to mobilise financing from private and institutional investors.

Underpinning all of this are key Group-level core values. These include the power of constructive partnerships – within the group, with our shareholders and key stakeholders and with the private sector – innovation, productivity, growth, competitiveness, security, and the critical need for more integrated capital markets in Europe, in order to mobilise the necessary large-scale investments to support Europe's innovators and technology champions.

In this context, the upcoming TechEU programme will be key in supporting scale-up and large-scale financing to European companies across the development spectrum.

The next phase of the EIB Group Climate Bank Roadmap and ongoing support to the green transition in Europe, alongside the implementation of a roadmap for security and defence are also fundamental elements.

4 Conclusion

The EIF continues to have an important role to play in supporting innovation, productivity and growth, on the national, regional and pan-European scale, able to take higher risk activities for the EIB Group whilst preserving its AAA rating and strong capital indicators, and contributing to the Group's efforts to overcome the fragmentation of Europe's capital markets.

I will conclude by emphasizing that, as always, the multi-faceted support, feedback and collaboration between the EIF and its shareholders are fundamental components for success. On behalf of the Board, I can say that we are appreciative of your trust and commitment, in the shared vision for the EIF's contribution to a strong and forward-looking Europe.

Thank you.