

EIF Transparency Policy

Date: 1 May 2012

A INTRODUCTION

Policy Framework

1. The European Investment Fund (EIF) is an international financial institution and a body of the European Union (EU), specialised in providing risk capital, finance guarantees and other types of instruments with the view to contributing to the pursuit of European Union objectives¹, in particular to promote innovation and entrepreneurship, including the support of Small and Medium Sized Enterprises (SMEs).

EIF conducts its activity within the European Union and in countries, which are candidates and potential candidates to the European Union and in EFTA countries. Through its majority shareholder, the European Investment Bank (EIB), EIF is part of EIB Group.
2. The EIF Transparency Policy is established on the basis of the EIB Transparency Policy, which was issued with effect as of 2 February 2010 following a public consultation process. The EIB Transparency Policy sets out the basic policy principles on transparency and public disclosure of documents and other information within EIB Group; it is published on the EIB website.
3. The EIF Transparency Policy constitutes, together with the EIB Transparency Policy², an integral part of the corporate responsibility policies applicable within EIB Group, which underwrite institutional sustainability through the use of the Group's competitive advantage, the productive use of resources and good governance. In conducting its business, the EIB Group stresses good governance, including a high level of transparency and accountability for itself and its counterparts while recognising the need to respect confidentiality where appropriate and ensuring trust.
4. EIF, as a European Union body, is conscious that transparency strengthens its credibility and its accountability. Transparency also contributes to increasing the efficiency and sustainability of the EIF's operations, reducing the risks of corruption, and enhancing relations with external stakeholders.
5. EIF understands that transparency should refer to an environment in which the objectives of policies, its legal, institutional, and economic framework, the decision-making processes, and other relevant information is made available to the public in a comprehensive, accessible, and timely manner. Transparency is therefore an essential condition for a free and open exchange with stakeholders, whereby the rules and reasons behind policies and practices are fair and clear to all participants, thus entailing the availability, to the largest possible extent, of information required for collaboration and cooperation with all internal and external stakeholders.
6. The present policy shall enter into effect as of [1 May 2012]

¹ cf. Article 2/1 "Tasks and Activities": "The task of the [EIF] shall be to contribute to the pursuit of Community objectives."

² This Transparency Policy constitutes the "separate policy document" and contains the "specific Rules concerning public access to EIF documents" as referred to in section iii.7 of the EIB Transparency Policy.

Institutional Framework

7. EIF was established in 1994 by the Board of Governors of the EIB, on the basis of article 30 of the Statute of the EIB, as an entity with legal personality and financial autonomy, owned by the EIB, by the European Union and by national private and public financial institutions as institutional shareholders. The General Meeting of shareholders appoints the members of the Board of Directors and the members of the Board of Auditors, the statutory audit body of EIF. The executive management of EIF is entrusted with the Chief Executive and the Deputy Chief Executive.
8. The Treaty on European Union enshrines the concept of openness in its Article 1 by stating that “the Treaty marks a new stage in the process of creating an ever closer union among the peoples of Europe, in which decisions are taken as openly as possible and as closely as possible to the citizen”. Article 15 of the Treaty on the Functioning of the European Union equally states that “In order to promote good governance and ensure the participation of civil society, the Union institutions, bodies, offices and agencies shall conduct their work as openly as possible”. Openness also contributes to strengthening the principles of democracy and respect for fundamental rights in line with Article 6 of the EU Treaty.
9. In implementing this Transparency Policy, EIF takes account of and commits to comply with the EU policy initiatives and legislative framework on transparency and public disclosure of information, notably with the principles laid down by Regulation (EC) No 1049/2001 regarding public access to European Parliament, Council and Commission documents and with the principles of the “European Transparency Initiative”, as far as they are relevant to the EIF's activities. Pursuant to Article 15 of the Treaty on the Functioning of the European Union, when exercising administrative tasks, EIF strives at ensuring that its rules on access to documents are in accordance with applicable EU Regulations setting out the general principles and limits on access to documents. EIF also complies with Regulation (EC) No. 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies, and on the free movement of such data.

Responsibilities

10. The Board of Directors has the competence to adopt the EIF Transparency Policy; its oversight and implementation falls under the responsibility of the Chief Executive/Deputy Chief Executive. Responsibilities are deployed throughout the organisation as appropriate to ensure that the policy objectives are reflected in goals and activities at all levels of the organisation.
11. Resources are assigned for the implementation of the EIF Transparency Policy throughout the organisation. Relevant staff at all levels of the organisation is trained in how to handle transparency and disclosure issues, dialogue with stakeholders, corporate social responsibility and other related topics. Within the organisation, expert resources are available to advise on transparency issues.
12. The EIF Transparency Policy is subject to a continuous process of internal evaluation and quality assessment. Reviews will take place every 5 years in connection with the review of the EIB Transparency Policy.
13. The EIB Complaints Mechanism Policy is applicable to EIF; under this policy stakeholders may appeal to the Complaints Mechanism Division in the EIB when they feel that EIF has failed to deliver according to this Transparency Policy.

B PRINCIPLES

I. General Principles

Commitment

14. As an EU body, EIF is committed to achieving the highest possible level of transparency in all its activities towards external and internal stakeholders. EIF considers this to be part of its mission to further the objectives of the European Union. It is firmly convinced that, as a body of the EU, it should maintain exemplary standards in all areas where EU policies have a bearing on its business and governance. Consequently, explaining these activities, enhancing the perceived value of its operational activity, is firmly anchored as one of the main objectives in its strategy that underpins its integrated medium-term planning tool, the Corporate Operational Plan, which is published on the EIF's website.

Openness

15. The EIF Transparency Policy is guided by openness with the underlying presumption that, whenever possible, information concerning the Fund's operational and institutional activities will be made available to the public in the absence of a compelling reason for confidentiality, in line with EU legislation, those of the EU Member States and countries of operation and internationally accepted principles.
16. Openness helps to promote the Fund's impact in its countries of operations and to achieve sustainable outcomes. It also contributes to increasing the efficiency and sustainability of the Fund's operations. In order to support the principle of transparency, the Fund seeks to provide accurate and timely information regarding its activities.

Accountability and Governance

17. EIF is committed to reinforcing its accountability to stakeholders and to ensuring high standards of corporate governance.

Safeguarding the Business Approach and Ensuring Trust

18. As a financial institution, EIF must maintain the confidence and trust of its clients, co-financiers and shareholders. A business-sensitive approach is necessary to allay concerns about the treatment of confidential information which, otherwise, could affect these partners' willingness to work with EIF and thus impede EIF to fulfil its mission. EIF's approach in this regard is governed by the restrictions regarding confidential information (see section "Exceptions", ann. 28ss below).

Promoting Transparency

19. EIF recognises that better corporate governance leads to transparency and better disclosure of information, thus providing the opportunity to establish relationships with all stakeholders in fair and more productive terms. Transparency as a key element of the corporate governance framework is essential for improving economic efficiency and growth as well as enhancing investor confidence.

20. Lack of transparency may act as a serious brake on economic and social development.
21. EIF actively promotes transparency and good governance in its operations, in the finance structures it supports and generally in dealing with its counterparts.
22. EIF recognises not only the importance of transparency for sustainable economic development, but also the critical role that international financial institutions can play in the promotion of transparency at both the private and public sector level. EIF endeavours to:
 - Develop or adopt guidelines, policies or procedures on the role of transparency as part of its corporate governance considerations in its due diligence and investment supervision operations;
 - Provide or procure training on transparency and corporate governance issues to its staff;
 - Encourage its counterparts, financial intermediaries and final beneficiaries to observe local codes of corporate governance in the spirit of best international practice;
 - Engage company management and board members in a dialogue to foster improvement;
 - Promote the use of internationally-recognised financial reporting standards and encourage investee companies to adopt or align their accounting principles and practices to such standards;
 - Collaborate with other international financial institutions on an ongoing basis and, when appropriate with its business partners, to further advance the cause of transparency.
23. EIF fully subscribes to the OECD Principles of Corporate Governance, which provide an international best practice framework identifying its key practical aspects:
 - the rights and equitable treatment of shareholders;
 - the role of stakeholders;
 - disclosure and transparency; and
 - the responsibilities in the Board of Directors.

Continuous Improvement

24. EIF will continue to strengthen its efforts to improve its transparency, accountability and governance, and to be at the forefront as a transparent and responsible institution.

II. Principles for Disclosure

Presumption of disclosure

25. All information held by EIF is subject to disclosure upon request, unless there is a compelling reason for non-disclosure. As EIF operates in commercial markets under commercial terms, there are certain constraints on the information it discloses (see "Exceptions", ann. 28ss. below).

Non-discrimination and equal treatment

26. Every member of the public has the right to request and receive timely information from the EIF. When considering a request for information, EIF does not discriminate or give special privileged access to information.

Language regime

27. The working language of EIF is English and information will be provided in English.

III. Exceptions

28. While EIF is committed to a policy of presumption of disclosure and transparency, it also has a duty to respect professional secrecy, in compliance with European laws, in particular Article 339 of the Treaty on the Functioning of the European Union, as well as legislation to protect personal data. National regulations and relevant industry standards covering business contracts and market activity may also apply to the EIF. There are therefore certain constraints on the disclosure of information.
29. Notably, access shall be refused where disclosure would undermine the protection of:
- the public interest of the EU, its institutions and bodies or a EU Member State;
 - the principle of privacy and the integrity of the individual, in particular in accordance with EU legislation regarding the protection of personal data.
30. EIF is acting in highly specialised markets, the proper functioning of which, among other things, is based on the safeguarding of confidential information. The efficiency of the functioning of these markets depends substantially on mutual trust. Unless there is an overriding public interest, access to information shall therefore also be refused where disclosure would undermine the protection of:
- commercial interests of a natural or legal person, in particular, in the context of an obligation of EIF to maintain confidentiality within a business relationship;
 - intellectual property;
 - court proceedings and legal advice;
 - the purpose of inspections, investigations and audits.
31. As regards, first, second and fourth indent of ann. 30, with the exception of investigations, an overriding public interest in disclosure shall be deemed to exist where the information requested relates to emissions into the environment.
32. Access shall be refused where disclosure would seriously undermine the integrity of the EIF's decision-making process. EIF may refuse access to documents if the request concerns unfinished documents or data or if the request concerns internal communications where such an exemption is provided for in the national laws or customary practice, taking into account the public interest addressed by the principles of disclosure.
33. The grounds for refusal as regards access to environmental information should be interpreted in a restrictive way, taking into account public interest served by disclosure and whether the information requested relates to emissions into the environment.

34. As regards third-party documents, EIF shall consult with the third party whether the information in the document is confidential, according to the principles of this policy, unless it is clear that the document shall or shall not be disclosed.
35. Exceptions cover information typically forming part of the EIF's legal obligations within a confidential relationship with its business partners. EIF does not object in principle to financial intermediaries, sponsors, or other contractual counterparts making information available on their relationship and arrangements with the EIF.
36. Exceptions also cover information on individual allocations made by financial intermediaries to support investment by their own customers under guarantees issued by EIF. This information falls within the competence of the financial intermediary as part of the normal business relationship between a financial intermediary and its customers. However, EIF encourages the financial intermediaries to make available information covering its relationship with EIF.
37. All requests for disclosure of specific information shall be handled promptly by EIF, which will either grant full or partial access to the document requested (if only parts of a requested document are covered by any of the constraints above, information from the remaining parts shall be released) and/or communicate the reasons for the total or partial refusal.

IV. Evaluation

38. EIF is committed to the principle of periodic evaluation fully recognising the role of evaluation in increasing transparency and accountability to its stakeholders. Evaluation encompasses the processes through which EIF, with involvement from key stakeholders, monitors and reviews its progress and results against goals and objectives, feeds learning from this back into the organisation on an ongoing basis and reports on the results of the process.
39. Operations Evaluation, under the responsibility of the Inspector General, carries out regular ex post evaluations of the EIB Group operations. The terms of reference of Operations Evaluation are published on the EIB website.
40. The objective of an evaluation is to assess the Group's operations with a view to identifying aspects which could improve operational performance, accountability and transparency. It does so by carrying out thematic, sector and regional/country evaluations of operations financed normally once they have been completed. Operations are assessed using internationally accepted evaluation criteria (based on relevance, effectiveness, efficiency and sustainability); the EIB Group contribution to the operations (financial and non financial), the EIB Group management of the project cycle, as well as the "financial performance" of the EIB Group are also assessed.
41. Reports and reviews performed by Operations Evaluation are published on the EIB Website.
42. The EIB intends to proceed with annual evaluations of EIB Group's Corporate Responsibility policies by external experts in extra-financial analysis. This evaluation will be targeted to environmental, social and corporate/ethical issues and will cover areas such as: respect for human rights, quality of human resources management, business behaviour, and environmental footprint.

V. Publication vs. Disclosure

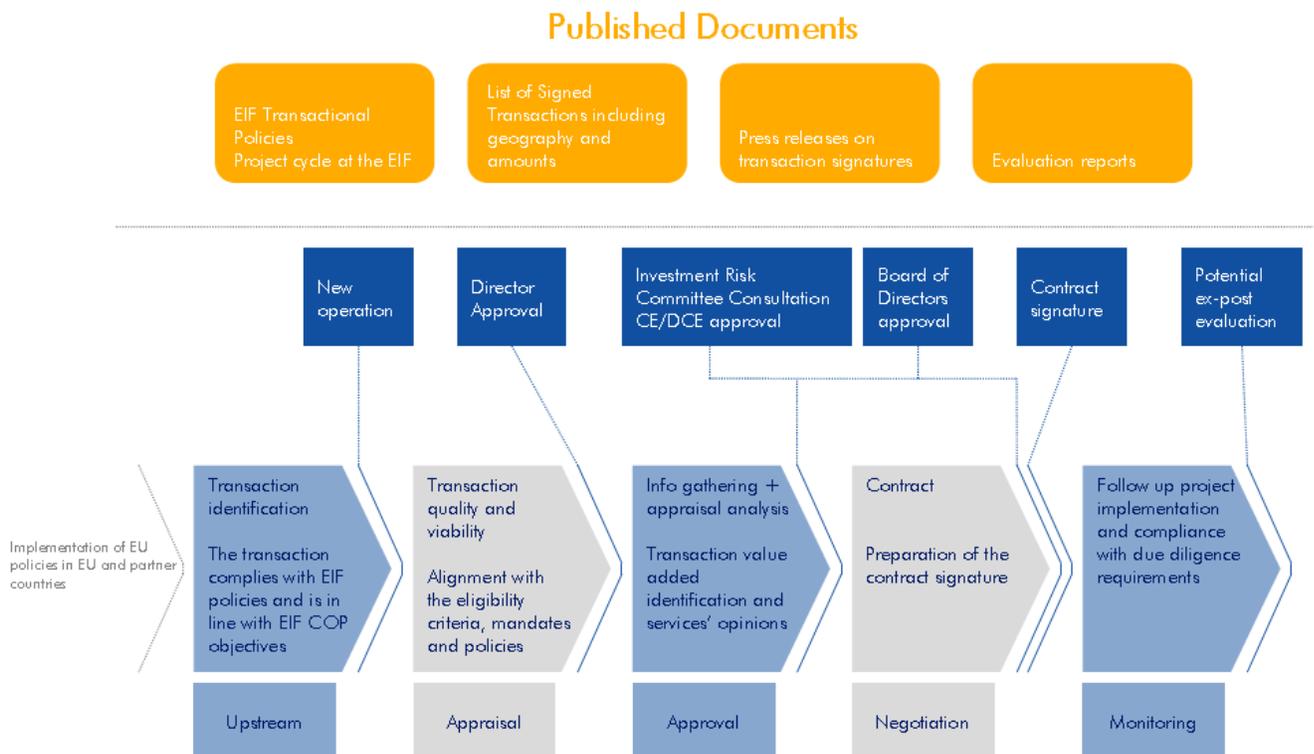
43. Within the limits imposed by applicable laws and regulations, the final determination as to what information may be released to the public shall rest with EIF which shall also decide

which documents to publish, on its website and/or in paper form, and which documents are available on request only.

44. Documents that are considered of general public interest, which could interest a large number of stakeholders and/or members of the public, will be published.
45. Exceptions will only apply for the period during which protection is justified on the basis of the content of the document. The exceptions may apply for a maximum period of 30 years. In the case of documents covered by the exceptions relating to the protection of personal data or commercial interests of a natural or legal person including intellectual property, the exceptions may, if necessary, continue to apply after this period.

Transaction Cycle Information

46. The following overview describes the various phases of EIF transaction cycle and refers to the documents published in connection with that transaction cycle:



47. To the extent information on EIF operations may be published or made available, such publication or communication will not occur prior to signature to protect justified commercial interests.
48. Information referred to in confidentiality agreements or confidentiality undertakings signed by EIF in the normal course of its business or otherwise expressly designated by EIF's counterparts as confidential cannot be disclosed subject to ann. 43s above.

C. PROCEDURAL FRAMEWORK

Procedures for Handling Information Requests

49. Requests for access can be made in any written form. They should be addressed to EIF Communication. They can also be addressed to the external offices of EIF or EIB, which will then forward them to EIF Communication.
50. If a request is not sufficiently precise or if it does not enable the document or information to be identified, the requester shall be asked to clarify the application.
51. The requester is not obliged to state reasons for the application.
52. Requests are normally processed by EIF Communication and are replied to without delay and in any event no later than 20 working days following receipt of EIF of the request or, in the case clarification is required, receipt of the up-dated request.
53. If information has already been released by the EIF, the requester will be informed of how to obtain the requested information.
54. In exceptional cases, for example in the event of a request relating to a very long document or when the information is not readily available and complex to collate and where a reply cannot be provided within the prescribed time limit, the requester will be informed without delay and no later than 10 working days following receipt by EIF of the request.
55. EIF will, however, endeavour to provide a reply to such complex request no later than 40 working days following receipt.
56. If, for reasons of confidentiality, EIF is unable to divulge the information requested, in full or partially, it will inform the requester about the reason(s) why such information cannot be provided and of the right to make a voluntary confirmatory application or lodge a complaint as described below in the section on "Recourse".
57. Information will be supplied in an existing version and format.
58. A requester may be charged a fee to cover for reasonable costs arising from the making available of document(s) requested.
59. The requester shall undertake that no correspondence between EIF and the requester will be sent to other external parties unless all persons concerned have been informed.
60. EIF retains the possibility of refusing to follow up a request that is excessive, repetitive, clearly frivolous, malicious or clearly driven by mere commercial interests.

D. RECOURSE

Complaints Mechanism

61. For the avoidance of doubt, a requester may launch recourse also where EIF fails to reply a request within the prescribed time limits or to the extent the requester considers that a reply is unsatisfactory.
62. The provisions for recourse are determined by the EIB Complaints Mechanism. Principles, terms of reference and rules of procedure which give members of the public the right to lodge

a complaint concerning alleged maladministration against EIF provide the public with a tool enabling alternative and pre-emptive resolution of disputes.

63. Any natural or legal person affected or feeling affected, by a decision and/or action of the EIF, which includes failure to deliver according to its Transparency Policy, may lodge a complaint addressed to EIF, by e-mail to complaints@eib.org or by filling in an online form available in all official languages of the EU (<http://www.eib.org/infocentre/complaints-form.htm>). Complaints must be lodged within one year from the date on which the facts upon which the allegation is based could be acknowledged by the complainant.
64. The EIB Complaints Office will acknowledge the receipt of the appeal within 10 working days from the receipt of the complaint and will provide a reply by no later than 40 working days following the acknowledgment of receipt. For complex issues that cannot be answered within this time frame, the complainant will be informed of the reason of the delay and the deadline for reply can be extended to a maximum of 100 working days following the acknowledgment of receipt.
65. The lodging of a complaint under the EIB Complaints Mechanism is without prejudice to the rules under which the complainant may be allowed to institute court proceedings before the Court of Justice of the EU, in accordance with and under the conditions laid down in the Treaty on the Functioning of the European Union.

European Ombudsman

66. In case of dissatisfaction with the outcome of the complaint lodged with the EIB Complaints Mechanism, EU citizens or any natural or legal person residing or having its registered office in a EU Member State can, in accordance with article 228 of the Treaty on the Functioning of the European Union and regardless of a direct concern in the alleged maladministration, refer their appeal to the European Ombudsman. The European Ombudsman has been set up to examine appeals about maladministration in the activities of EU institutions and bodies and reports to the European Parliament. Moreover, following the Memorandum of Understanding signed by the EIB and the European Ombudsman the latter commits to systematically using its own initiative power in order to handle complaints lodged against EIF, when the sole reason preventing an inquiry is the fact that the complainant is not a citizen of the European Union or a natural or legal person residing or having his registered office within the European Union.

European Court of Justice

67. The actions of EIF shall also be subject to judicial appeal before the Court of Justice of the EU in accordance with the relevant provisions of the Treaty on the Functioning of the European Union, in particular Articles 263 and 271.

Reporting

68. The EIB publishes an annual report of the complaints submitted under the EIB Group Complaints Mechanism. Complaints submitted to the European Ombudsman are also published on the Ombudsman's Website and in its Annual Report. The deliberations of the European Court of Justice are also published on their websites.

Annex 1 – Information Routinely Disseminated

This is a non-exhaustive and flexible list of the most relevant EIF policy documents. As the policy documents of EIF are reviewed regularly, the status of a policy (i.e. if still in force or updated) can be verified on the EIF website (www.eif.org)

1 INSTITUTIONAL INFORMATION

1.1 Statutory documents

1.1.1 EIF Statutes.

1.1.2 EIF Rules of Procedure.

1.1.3 EIF Annual Report.

1.2 Codes of Conduct

1.2.1 EIF publishes on its website all codes of conduct applicable to EIF Board of Directors, the Chief Executive and Deputy Chief Executive, the EIF Audit Board, and EIF staff members as well as the Code of Good Administrative Behaviour for the Staff of EIF in its Relations with the Public.

1.2.2 In addition, personal statements by members of EIF Board of Directors and the Chief Executive and Deputy Chief Executive are published:

- Board of Directors: The members of the Board of Directors sign a personal statement on the other offices or positions they hold. Details of abstentions from voting in cases of conflict of interest are made public as well.
- Chief Executive and Deputy Chief Executive: The Chief Executive and the Deputy Chief Executive sign a declaration of financial interests.

3 POLICIES AND STRATEGIES

3.1 *Corporate Operational Plan*

2.1.1 Corporate Operational Plan (COP) - sets operational priorities and defines medium-term policy in the light of the objectives assigned to the EIF. It is established annually and adapted to take account of new mandates, EU policy orientations and changes in the economic climate. It provides a benchmark on which to appraise performance published in EIF Annual Reports.

3.2 *Transparency, Governance and Corporate Responsibility*

2.2.1 Transparency Policy - transparency is part of EIF's key strategic corporate objectives. The Transparency Policy covers ethics, corporate governance, good administration, disclosure of information, evaluation, promotion of transparency and recourse mechanisms.

2.2.2 Statement on Governance - explains the guiding principles on governance at the EIF. It deals with decision-making and supervisory bodies; expertise, ethics and conflicts of interest; remuneration and other benefits; external monitoring structures; financial

statements and information on risk control; managing control; compliance; internal audit and control framework; strategy implementation and monitoring; and transparency.

- 2.2.3 Statement on Corporate Social Responsibility (CSR) - presents a declaration of broad CSR principles, together with commitments towards their implementation. The statement describes the principles that guide EIF in integrating social concerns into its business operations.
- 2.2.4 EIF Compliance Charter - underlines the EIF's commitment to a policy of integrity in the performance of its mission, oversees compliance with standards and acts as a first-line detector of potential incidents of non-observance of rules on ethics and integrity so that appropriate measures can be taken in line with the texts and procedures in force.
- 2.2.5 EIF Policy on Offshore Financial Centres and Governance Transparency
This document aims to ensure that EIF is fully in line with the principles endorsed by the G20 summit of world leaders in London in April 2009.
- 2.2.6 The EIF Anti-Fraud Policy. This document is based on the EIB Anti-Fraud Policy and implements the principle of no tolerance followed by EIF in relation to fraud, corruption and other prohibited practices.
- 3 Press Releases
- 3.1 EIF issues press releases on newsworthy operations, usually at the time of commitment.

Annex 2 – Sources of Information

1. *Reproduction of EIF Documents*

EIF documents in the public domain can be freely reproduced, if:

- the source and the date of publication are mentioned; and
- the information is not modified; and
- the information is not used for commercial purposes (which would require the EIF's written approval); and
- the rights of third parties in the field of copyright are respected.

EIF Statutes are published in the Official Journal of the European Union.

2. *EIF Website*

2.1. The EIF website is the main platform for disseminating information to the public about EIF's role and activities. It is a key authoritative source of information on EIF.

2.2. All documentation published by EIF is either posted or listed on its website.

2.3. EIF is committed to a policy of constant improvement in the content and facilities of the website to enhance rapid and easy access to its information. The website is available in English.

2.4. EIF's website is also accessible through the portal site of the European Union server (www.europa.eu) and is included in numerous public websites dealing with EU affairs.

3. *Relations with the Press and Other News Media*

3.1. EIF Communications manages relations with the news media.

3.2. Press activities are focused on:

- Press conferences, organised by the EIF.
- Press contacts, ranging from briefings and interviews to background information meetings.
- Press releases, mostly for newsworthy transaction signatures. Other topics covered may include the signature of operational mandates, new EU policy initiatives involving the EIF, and appointments to EIF's decision-making bodies. Press releases are posted on the EIF website
- Articles for specialised publications.
- Corporate and market-oriented advertisements – limited in scope.