

Environmental and Social Data Sheet

Overview

Project Name:	CLARET CAPITAL CO-INVESTMENT FACILITY (EGF)
Project Number:	2021-0217
Country:	Regional – EU countries
Project Description:	Co-investment facility allowing the EIB to deploy venture debt alongside Claret Capital's Fund III. The facility would focus on EU SMEs.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The proposed transaction consists of up to EUR 35m co-investment facility with the Harbert/Claret European Growth Capital Fund III that is managed by Claret Capital Partners. The EIB's co-investment would only target EU-based SME borrowers in the areas of software, electronics, e-commerce, internet, medical devices, diagnostics, biotech, specialty pharmaceuticals, and energy efficiency.

The operation will be based on a partial delegation model (origination, execution and monitoring of investments) relying on Claret Capital Partners, which will be responsible for carrying out the due diligence on the underlying portfolio companies and ensuring their compliance with relevant EU and national E&S laws.

Given the size and nature of the underlying portfolio companies in which the fund will be investing (SMEs with growth potential in the technology, internet, clean tech and life science sectors), the environmental and social risks and impacts are expected to be minimal. The main E&S risks and impacts of the investment relate to Claret Capital Partners having adequate systems and capacity in place to manage the underlying operations being financed in accordance with applicable EU E&S requirements, including compliance with EIB's List of Excluded Activities, host country laws and regulations.

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

Luxembourg, 23.07.21

Conclusions and Recommendations

For the purpose of this transaction, Claret Capital Partners will be required to integrate, in its investment guidelines and E&S procedures, EIB E&S core requirements and activity and sector exclusion lists. With these conditions in place, the operation is acceptable for financing in environmental and social terms.