

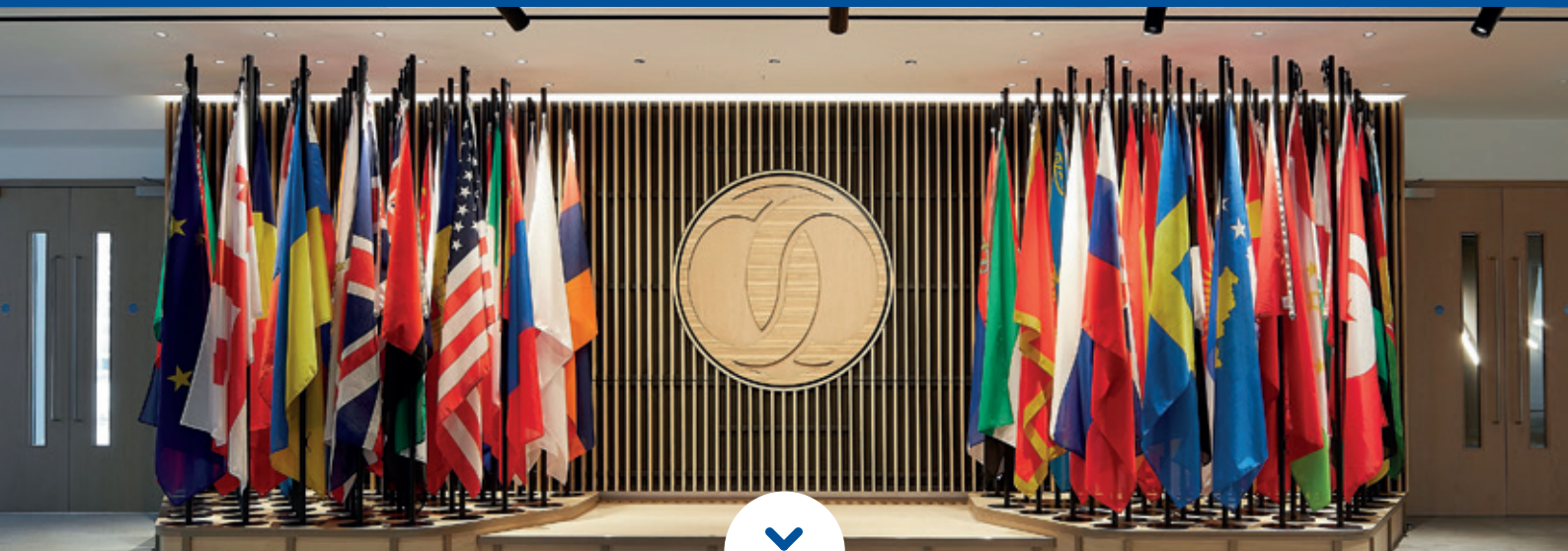
NOMINEE DIRECTORS



European Bank
for Reconstruction and Development

Realising value through EBRD Nominee Directors





Realising value through EBRD Nominee Directors

▶ About the EBRD

The European Bank for Reconstruction and Development (EBRD) is an international financial institution founded in 1991. The Bank was created to foster the transition towards open market-oriented economies and to promote private and entrepreneurial initiative. This has been our guiding principle since our creation and will remain our mission for years to come.

As a multilateral development bank, the EBRD deploys capital as a tool to build market economies. Since our inception, we have invested €185 billion in more than 6,700 projects.

The EBRD invests in changing lives. Through our projects, business services and involvement in high-level policy reform, we are doing more than ever before across three continents to achieve our mandate. The EBRD is active in almost 40 economies from the southern and eastern Mediterranean to central and eastern Europe and central Asia.

We are a climate finance leader. Our Green Economy Transition approach has made climate finance a key measure of the Bank's performance. We are now committed to ensuring that, by 2025, the majority of our capital and Annual Bank Investment (ABI) is green. We first hit that target in 2021, when green finance accounted for 51 per cent of ABI. Since the start of 2023, the EBRD's new projects have been fully aligned with the Paris Agreement on climate change.

For more information, visit www.ebrd.com

▶ Direct equity

With minority equity stakes of between €10 million and €200 million, the flexibility to invest across the capital structure and a focus on impact investing, we provide growth capital, initial public offering (IPO) and pre-IPO financing. We also take part in co-investments with private equity and strategic investors in change-of-control situations. In addition to financial returns, we create positive, measurable, social, economic and environmental impact in the countries where we work.

▶ Sectors the EBRD covers include:

- agribusiness
- energy
- financial institutions
- manufacturing and services
- municipal and environmental infrastructure
- natural resources
- property and tourism
- telecommunications, media and technology
- transport.

▶ Geographical coverage

The EBRD is active on three continents. Currently, we operate in:

- the southern and eastern Mediterranean
- south-eastern Europe
- Greece
- Türkiye
- central Europe and the Baltic states
- eastern Europe and the Caucasus
- central Asia.





Realising value through EBRD Nominee Directors

► EBRD Nominee Directors

As part of our investment strategy and development mandate, we negotiate board seats and can nominate non-executive directors to supervisory boards or boards of directors.

EBRD Nominee Directors are expected to make a real contribution to the supervisory board or board of directors of the company in question and add value by offering wise counsel and advice, based on their own experience and track record of achievement. We appoint independent non-executive directors who have expert industry knowledge and are able to promote best-in-class corporate governance practices. This is to ensure that we realise the value in the support of our investee companies and create shareholder value consistent with the Bank's development mandate.

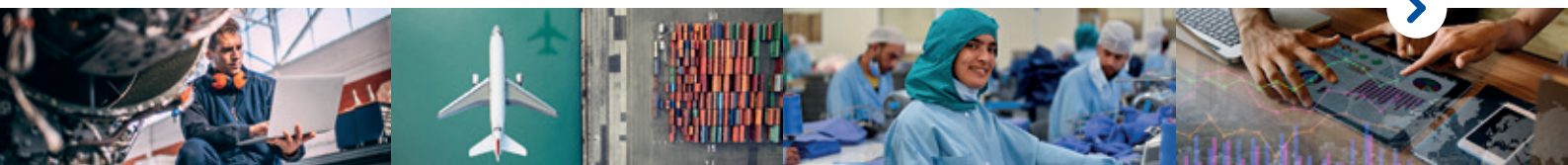
EBRD Nominee Directors are expected to act as independent non-executive directors, exercising objective and independent judgement in the best interests of the company they serve. Our goal is to encourage our investment companies to maintain the highest environmental, social and governance (ESG) standards.

Nominee Directors must commit sufficient time and attention to their board duties and responsibilities and to act on a fully informed basis, sincerely and honestly, with due care and in the best interests of the investee company, to realise value for its shareholders and stakeholders.

As many opportunities lie on the boards of small to medium-sized, non-listed, and locally owned and managed companies, appointed independent non-executive Nominee Directors are expected to be prepared to use their accumulated experience and general commercial acumen to coach or mentor management teams in the process of "adding value" to and "realising value" for the investee company.

The main objectives and guiding principles of such an assignment are, among others, to act in and to promote the best interests of the investee company on whose board they hold a position. This is likely to involve the following requirements.

- Provide strategic and commercial guidance by reviewing and providing input to the investee company's strategy, operating policies and annual budgets. In many cases, at the initial stages of their assignment, Nominee Directors are expected to facilitate the investee company's strategic planning processes based on best international practices.
- Provide guidance and assistance to the management of the investee company in improving business performance and financial control of their companies, with a view to maximising returns for shareholders.
- Support and advise the management of the investee company on recruiting, remunerating and incentivising key management/employees.
- Scrutinise the financial statements of the investee company, identifying potential early warning signals concerning financial performance and other areas of concern that need to be addressed by the investee company and the EBRD. Deal with any issues that arise in close cooperation with the EBRD, subject to confidentiality constraints.
- Participate in the approval process by voting on proposals based on their professional judgement, in the best interests of the investee company and taking into account the provisions of any shareholders' agreements.
- Introduce and promote observance of international best practice in corporate governance.
- Subject to confidentiality constraints, report to the EBRD on all board meetings, commenting where appropriate on issues that may be relevant to the EBRD in its role as a multilateral agency and investor.
- Liaise with the EBRD on any issue that may require the Bank to take action to accomplish its investment objectives and manage its investment.
- Undertake an "oversight" responsibility in respect of the integrity of financial statements, risk management and internal control arrangements, compliance with legal and regulatory requirements, the performance, qualifications and independence of external auditors and the performance of the internal audit function.





Realising value through EBRD Nominee Directors

- Identify and utilise, and/or assist the investee company and the EBRD in identifying and utilising, exit opportunities.

▶ The importance of diversity among EBRD Nominee Directors

We recognise the importance of diversity and equality and aim to ensure that Nominee Directors come from as wide an array of backgrounds as possible. We also appreciate that equality is not only an issue of gender or ethnicity, but a range of factors, from family background to education and life experience. Consequently, we seek to include and appoint Nominee Directors from various backgrounds, in as many senses as possible, who can contribute to significant diversity of thought.

▶ Desired credentials of an EBRD Nominee Director

Board compositions and contexts will differ from company to company, but the typical credentials we look for in EBRD Nominee Directors are as follows:

- previous board experience and/or a proven track record as a senior executive
- willingness to engage with and travel to the economies where the EBRD and its investee companies operate
- financial literacy: the ability to make informed decisions based on financial reports and metrics
- a thorough understanding and awareness of corporate governance issues
- knowledge of ESG matters, including green finance, the United Nations Sustainable Development Goals and the Paris Agreement
- strong interpersonal skills and an ability to handle complex board dynamics and relationships
- an ability to help improve board discussions, strategies, processes and decision-making
- regional expertise in developing economies, with specific geographical knowledge of and experience in the EBRD regions
- fluency in English and a second language (Arabic, French or Russian, for example)
- specific industry/sector knowledge (agribusiness, energy, financial institutions, manufacturing and services, municipal and environmental infrastructure, natural resources, property and tourism, telecommunications, media and technology, and transport) and an understanding of the impact of new technologies
- expertise in handling material corporate changes (mergers and acquisitions, restructuring, IPOs and so on)
- strong awareness of, alignment with and promotion of the EBRD's mandate and values.

▶ For more information, contact:

Justin Robertson
Head of Board Development and Expert Network, EBRD
NomineeDirectors@ebrd.com

Five Bank Street
London E14 4BG
United Kingdom
Tel.: +44 20 7338 6000
www.ebrd.com

Please note: The CVs/resumes of prospective candidates for Nominee Director Board Practice positions who meet the EBRD's general requirements may be retained for potential future positions. The EBRD reserves the right to conduct pre-integrity due diligence checks on CVs/resumes received.

Inclusion in the Board Practice does not guarantee selection for any Nominee Director assignments.

 **European Bank**
for Reconstruction and Development

