

## Buyback policy

EIB's buyback activity is conducted in the framework of an annual decision by its Board of Directors that sets, for each financial year, the maximum amount of debt that can be repurchased together with the Bank's annual funding program.

The Bank's approach is to respond solely to inquiries received from market participants and not to solicit buy-backs. EIB monitors the savings in interest charges that the activity permits but does not assign it any profit target.

The Bank considers debt buybacks as a service to investors holding bonds for which no two-way market is readily available or maintained. Indeed the Bank considers that the secondary market liquidity of its outstanding bonds is a prime responsibility of its lead managers and therefore refrains from repurchasing any bonds for which these maintain a functioning two-way market, so as to not interfere with their market making duties. Typically EIB will not repurchase large benchmark bonds, denominated mainly in EUR, GBP and USD.

For all relevant (typically non-benchmark) issues, the Bank will endeavour, upon request from a specific investor and for a pre-agreed nominal amount, which can be up to 100% of the outstanding, to quote an asset-swap level, coherent with its internal transfer price, at which it is willing to repurchase such specific block of private or public notes on a best efforts basis.

The Bank generally does not keep repurchased blocks of debt on its balance sheet. These are normally cancelled immediately after purchase, and instruction is given to the Principal Paying Agents to instruct information providers, whenever relevant, to update their database in order to reflect the newly remaining outstanding amount of the notes.