

Plénière 2018

10 octobre 2018



**Action
Tank
& Entreprise
& Pauvreté**

Introduction par E. Faber & M. Hirsch, co-présidents de l'Action Tank



EUROPEAN
VENTURE
PHILANTHROPY
ASSOCIATION



Sophie Faujour
FRANCE COUNTRY REPRESENTATIVE

INTRODUCTION

EVPA

PARIS, 10 OCT 2018



EVPA counts 250+ members across 30 European countries

- Individual foundations
- Social impact investing funds
- Corporate Foundations, impact funds, social incubators/accelerators
- Academics, consultants

Our Mission

- Enable our members to **maximise societal impact** through increased resources, collaboration and expertise

EVPA/ RESOURCES
DEVELOPED FOR OUR MEMBERS

Go
Faster



Peer to Peer learning
SHARE BEST PRACTICES

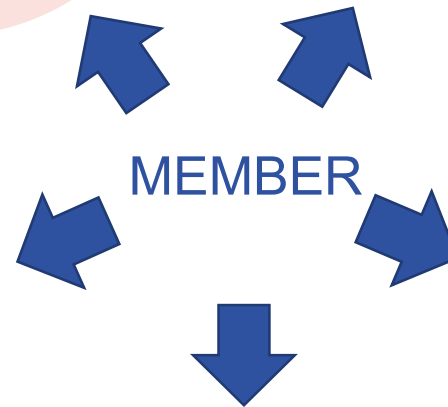


Cutting edge VP/SI tools,
research & resources
**EXPERTISE –
TRAINING**

More
Efficient



A network that spans
30+ countries
EUROPEAN REACH



Gain visibility
as a practitioner
NETWORKING - EVENTS



A **VOICE** on EU
and national level

**3/4 of our Members
said 'EVPA is
the highest value
network they belong to'**
Membership Survey 2017

70+ European corporate social investors in search of the most effective way to create social impact with business relevance **AT SCALE**.





29-30
November

evpa

14th ANNUAL
CONFERENCE
2018 WARSAW

**NEW
FRONTIERS
FOR IMPACT**

Join us to build solutions
for Europe's social challenges!




29-30
November

evpa

14th ANNUAL
CONFERENCE
2018 WARSAW

REGISTRATION AND
MORE INFORMATION

conference.evpa.eu.com 

@_EVPA_ 
#EVPA18

WHY JOIN?

- ▶ 1st time in Central Eastern Europe – an emerging market for venture philanthropy and social investment.
- ▶ Network and collaborate with 500+ world class practitioners and experts in the field.
- ▶ 25+ EVPA member-led workshops and sessions with new insights and practices to increase your effectiveness as a social investor.

The 14th EVPA Annual Conference would not be possible without the support of:



ERSTE
Stiftung



**THE ACADEMY FOR THE DEVELOPMENT
OF PHILANTHROPY IN POLAND**

大成 **DENTONS**



revive
we build society.



M
CHARLES STEWART
MOTT FOUNDATION

NESST

Agenda

16h15 – L'Action Tank et ses projets

16h30 – Intervention de A. Mehrpouya

16h50 – 1^{ère} table ronde

- S. Sterneels / F. Tiberghien / J.M. Lecuyer / J.P. Lefranc / T. Hirdman

17h50 – Intervention de S. Serneels

18h00 – 2^{ème} table ronde

- S. Sterneels / C. Cabanis / G. Vermot-Desrohes

19h00 – Conclusion par R. Weber

L'Action Tank et ses projets

Notre ADN



Innover dans la lutte contre la pauvreté



Créer des écosystèmes privé / public



Prouver par l'expérimentation

Notre écosystème : des entreprises, des acteurs publics et des associations



A horizontal timeline showing the evolution of partners from 2010 to 2017-2018. The timeline is divided into five periods, each with a set of logos. A red circular icon with a building is on the left.

- 2010:** DANONE, EssiLor, Schneider Electric.
- 2011-2012:** LA BANQUE POSTALE, Habitat Social, GROUPE RENAULT.
- 2013-2014:** TOTAL, Rexel fondation, VEOLIA, EDF.
- 2015-2016:** orange, sodexo SERVICES DE QUALITÉ DE VIE, CAISSE D'ÉPARGNE FEDERATION NATIONALE.
- 2017-2018:** Air Liquide creative oxygen.



A collection of logos for various partners, including:

- icf LA SABLIERE
- finistère habitat un engagement constructif
- YUNUS socialbusiness
- habitat et humanisme
- Plaine Commune Habitat
- croix-rouge française
- adie
- Agence nouvelle des solidarités actives
- Fédération des acteurs de la solidarité
- FONDATION Abbé Pierre
- SNOF Syndicat National des Ophtalmologistes de France
- fastt
- ALEC Plaine Commune
- Seine-Saint-Denis habitat



A collection of logos for various partners, including:

- pôle emploi
- ALLOCATIONS FAMILIALES
- Cnav Retraite & Action sociale Sécurité sociale
- dihal
- DGCS
- Strasbourg.eu eurométropole
- PRÉFECTURE DU BAS-RHIN
- ANRU Agence Nationale pour la Rénovation Urbaine
- plaine commune GRAND PARIS
- Clichy-sous-Bois
- Limoges Métropole Communauté d'agglomération
- GRENobleALPES MÉTROPOLE
- seine-saint-denis LE DÉPARTEMENT

Notre écosystème : des partenaires spécialisés pour appuyer notre action



HEC Paris est un partenaire privilégié :

- L'Action Tank a été créée au sein de la chaire « Entreprise & Pauvreté »
- Les expérimentations de l'Action Tank sont soutenues par des recherches académiques dont certains travaux de la Chaire
- L'Action Tank accueille des étudiants HEC (stages, études de cas, thèses...)



Des soutiens réguliers :

- Des études thématiques approfondies
- Une expertise juridique
- Des conseils en stratégie de communication

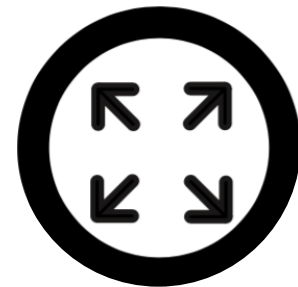
Notre méthode de gestion de projets



DESIGN

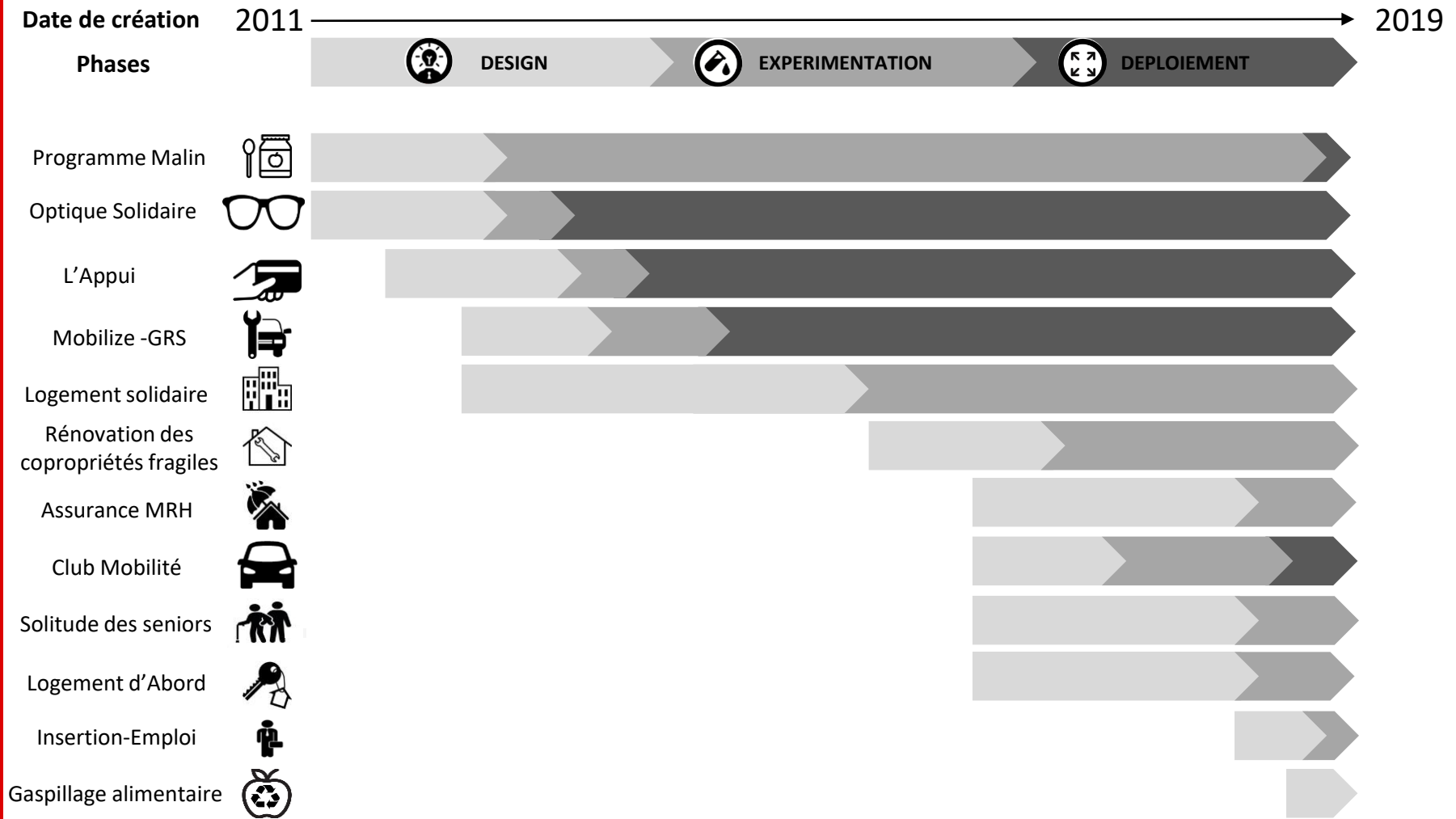


EXPERIMENTATION



DEPLOIEMENT

Nos projets : 12 lancés depuis 2011*



* hors Action Tank Sénégal

3 types d'objectifs visés ...



Baisse de coût

Réduire le prix d'un bien ou service sans dégrader sa qualité

- Programme Malin, etc.



Accessibilité

Supprimer les barrières à l'entrée (statutaires, etc.)

- Club Mobilité, etc.



Accompagnement

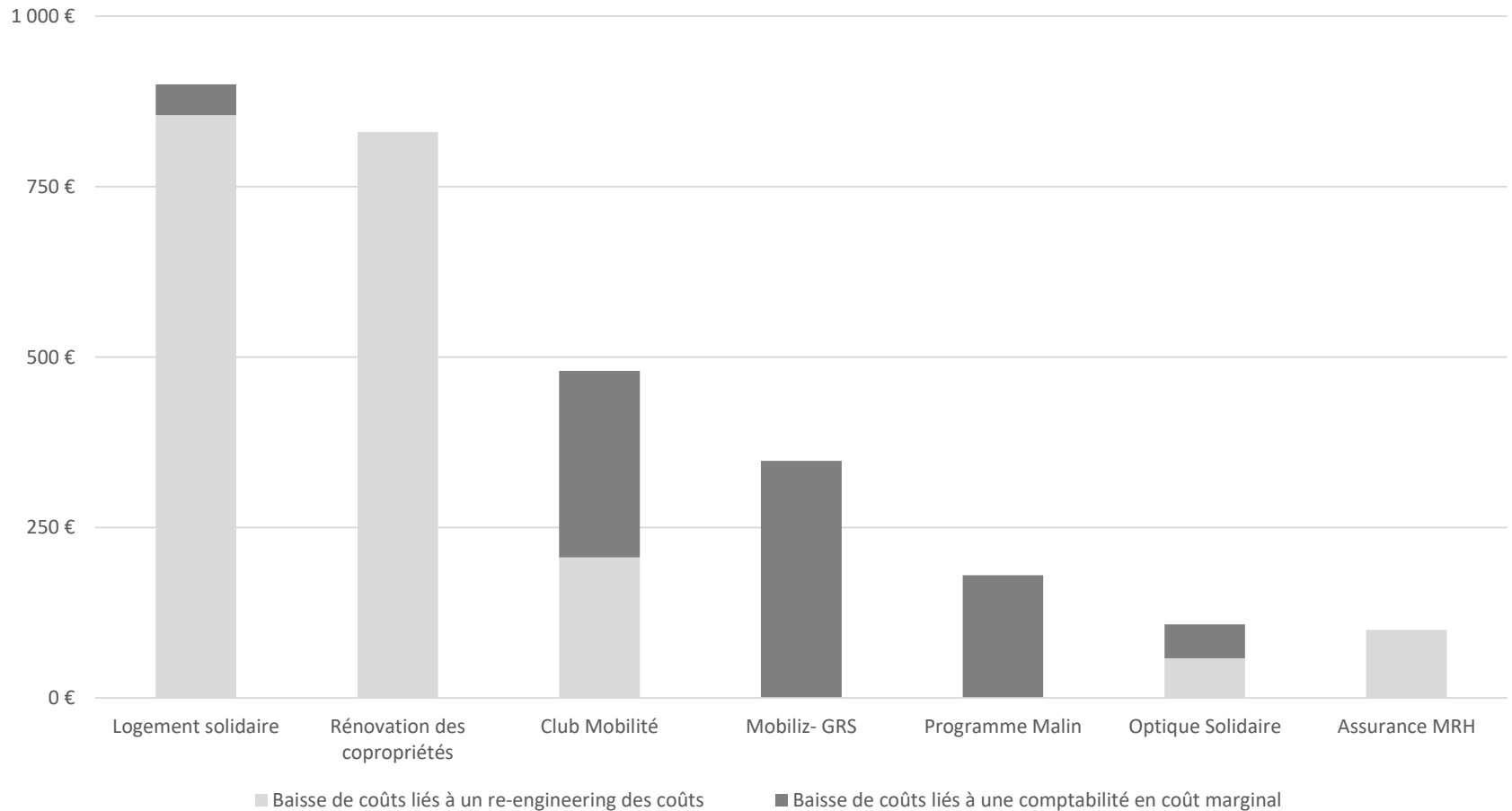
Proposer un parcours adapté aux ménages

- L'Appui, etc.

Fort impact des projets sur le budget des familles

Deux leviers principaux : *re-engineering* ou coût marginal

Economies
annuelles dans
le budget des
ménages



Notre actualité en 2018



Programme Malin : intégré dans le plan gouvernemental de lutte contre la pauvreté, déploiement complet d'ici 2022

Logement d'abord : accompagnement de 5 territoires pour définir et mettre en place une stratégie logement d'abord



Internationalisation du modèle Action Tank : lancement de l'Action Tank Sénégal; déploiement en Inde et au Brésil par Yunus Social Business Centre

Club Mobilité : déploiement du programme en 2018, structuration en SAS de l'ESS, levée de fonds auprès d'investisseurs à impact



Impact investing : where do we stand ?

by Afshin Mehrpouya (HEC)

The Social – Financial Debacle

- **Investing for social**
 - Philanthropy – NGOs
- **Investing for social and financial**
 - Religious and Activist Funds – ICCR
 - Shareholder activism
 - Thematic investing
 - Negative screening
- **Investing for financial while respecting the social**
 - European pension funds
 - Divestments, engagement and negative screening
- **Assuming full correlation of financial with the social**
 - US/UK pension funds
 - ESG Integration, engagement
- **Integrating social when it serves the financial**
 - European Asset Managers and a wide set of asset owners
 - ESG Integration



Impact investing is about seeking both financial and social impact from investments.

The “social entrepreneurship” of the investment world

Its boundaries increasingly blurred...

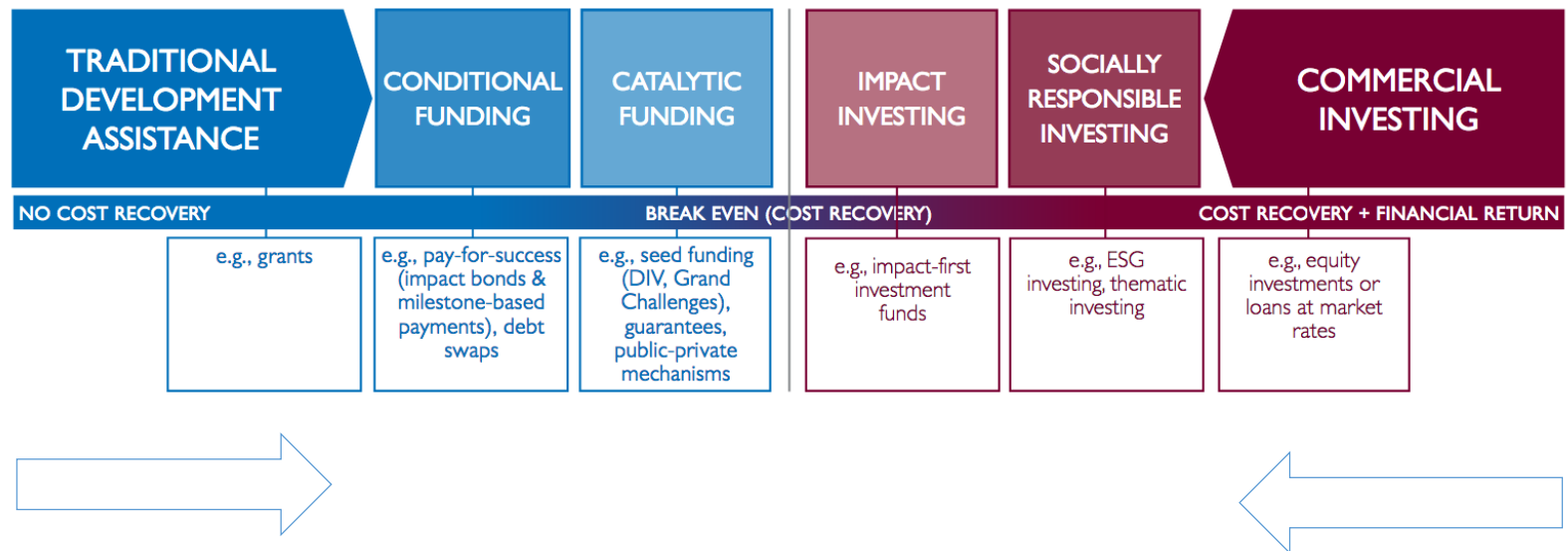
Where did it come from?

- Earlier double bottom line models
 - Development financing
 - Community investments
 - Thematic investments (renewable energy, etc).
 - Micro-credit
- 2007, Rockefeller Foundation
 - Creating an umbrella for double bottom line investments with a wider appeal
 - GIIN
- Focus on private investors



How has it Changed the Landscape?

- Has been transformative both to development financing and aid
- And to commercial investments



Source: USAID

How large is it ?

- **Impact investing market (2018):**

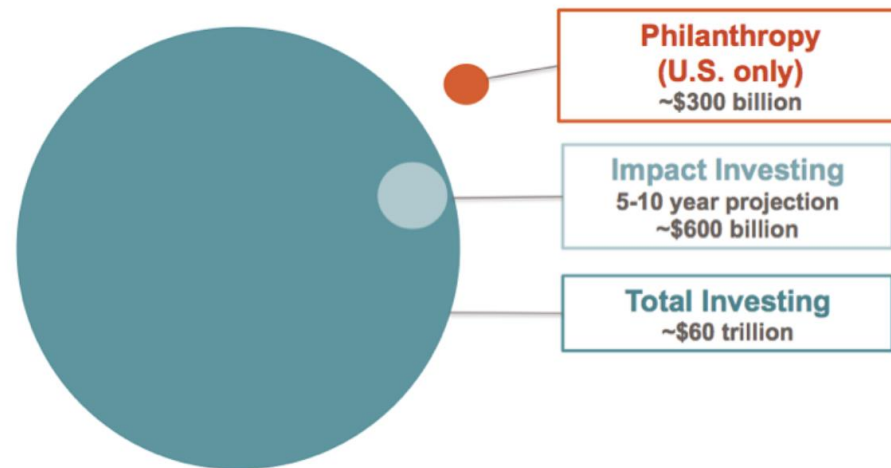
- Size : \$248 billion
- 2012-17 CAGR : +13%

- **Sustainable Investment Market (2016):**

- Size : \$22.89 trillion
- 2014-16 CAGR : +12%

- **Total stock markets (2017) :**

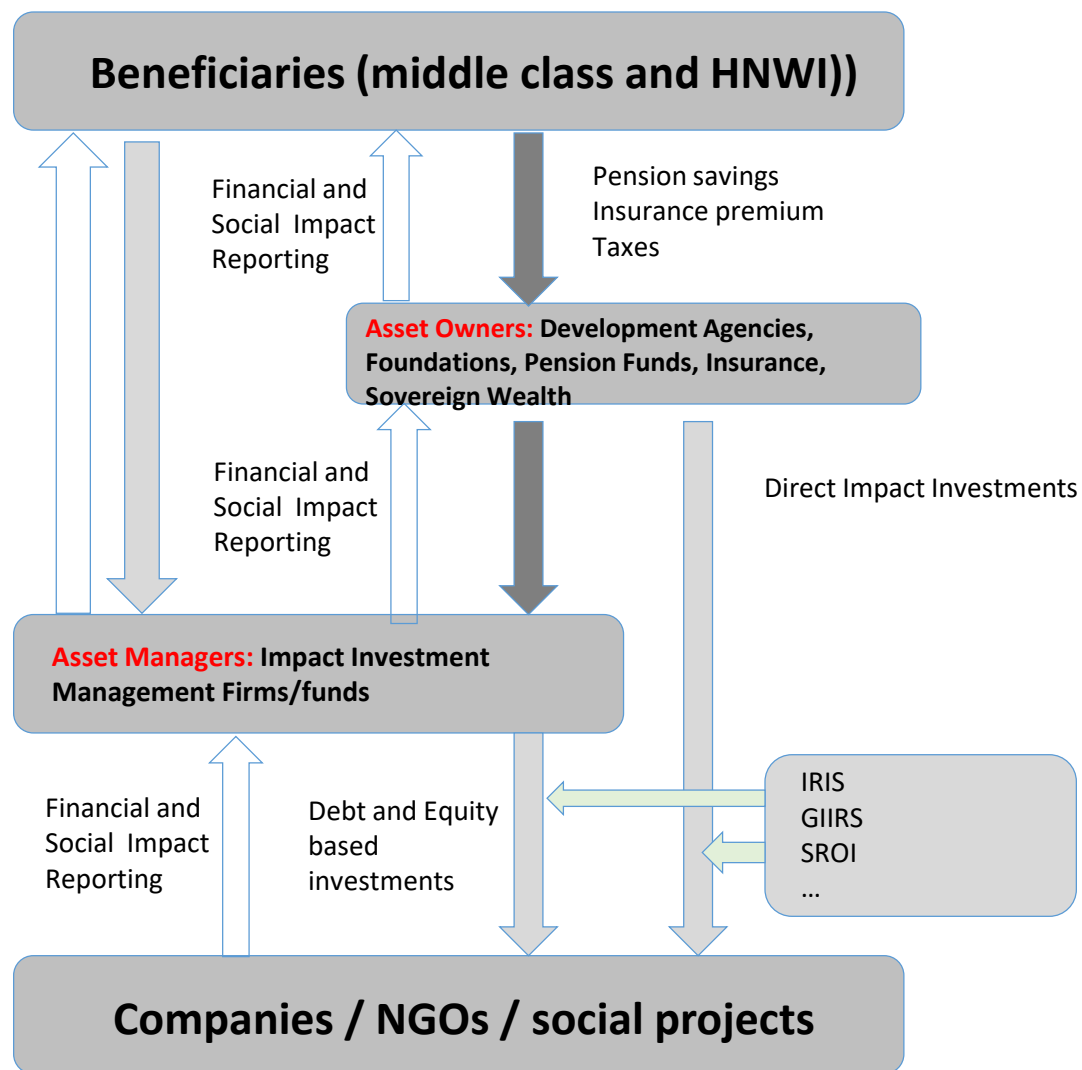
- Size : \$69 trillion



The mission is to invite the vast pools of capital in the financial markets to address matters of public concern.

Source: Arabella Advisors, 2013

Impact Investing Flows



Who are impact investors?

- Significant retail appeal
- Rapid expansion among traditional asset owners and asset managers

Table 20: Growth in sources of capital among repeat respondents (2013-2017)

n = 37; figures in USD millions.

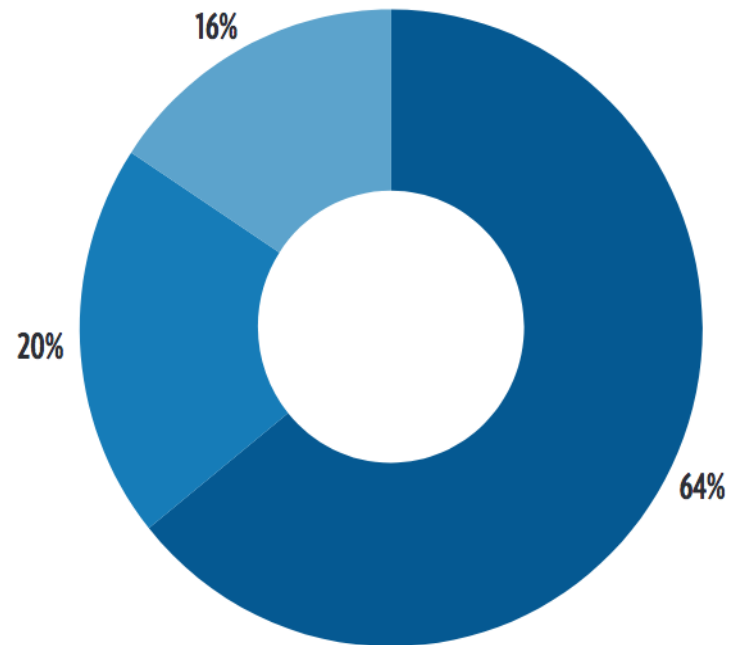
Source of capital	2013	2017	CAGR
Endowments (excl. foundations)	104	366	37%
Retail	2,341	4,880	20%
DFIs	1,605	2,918	16%
Banks / Diversified financial institutions	2,182	3,727	14%
Family offices / HNWIs	1,608	2,560	12%
Foundations	732	1,051	9%
Pension funds / Insurance companies	2,883	4,072	9%
Funds of funds	401	561	9%
Other	-	730	-
Total	11,856	20,866	15%

Note: 'Other' was not included as an answer option in 2013.

Source: GIIIN

Impact First or Finance First?

- 64% Risk adjusted, market-rate returns
- 20% Below-market-rate returns: closer to market rate
- 16% Below-market-rate returns: closer to capital preservation

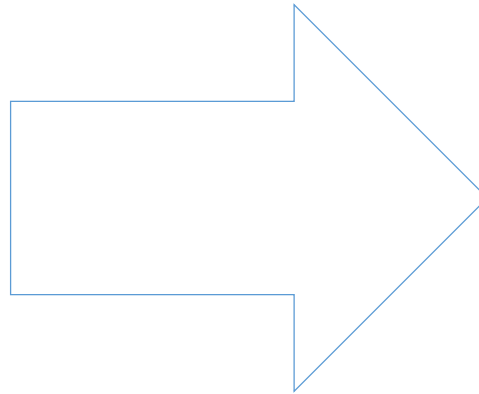


Source: GIIN, 2018

The terms of Impact Investing

Most invest during the growth stage – fewer “angle” impact investors

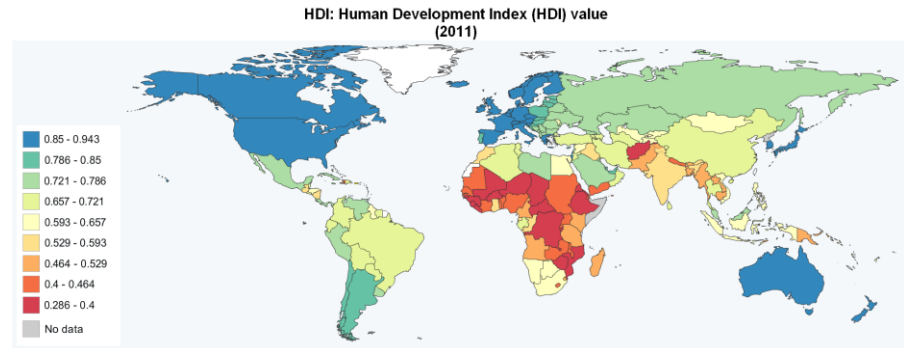
The importance of the fit.



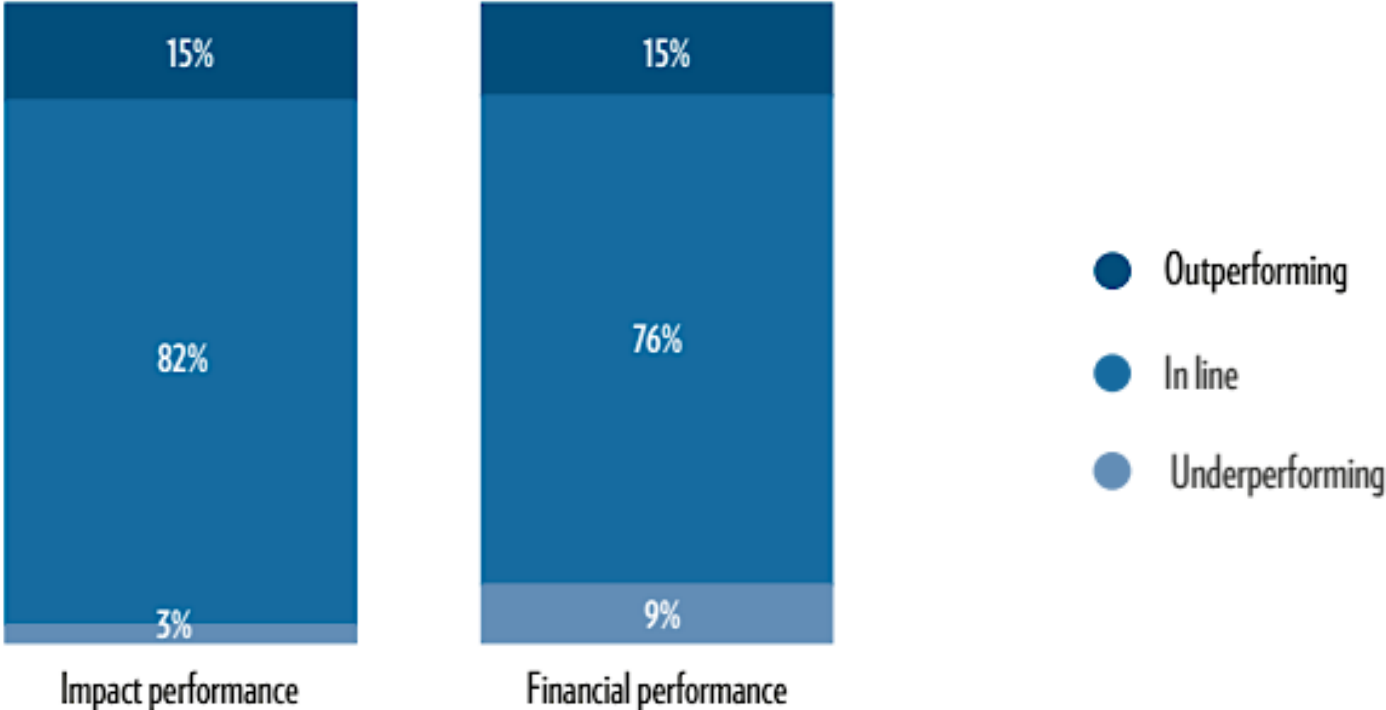
- *Return expectations*
- *Social commitment*
- *Time Horizon*
- *Control*
- *Exit / liquidity*

Geographical Focus

- Emerging markets (56%) vs. Developed markets (44%)
- Difference in returns and risk
- Distance between the investor and investee
- And difference in politics ...



Has the marriage fared so far?



Source: GIIN, 2018

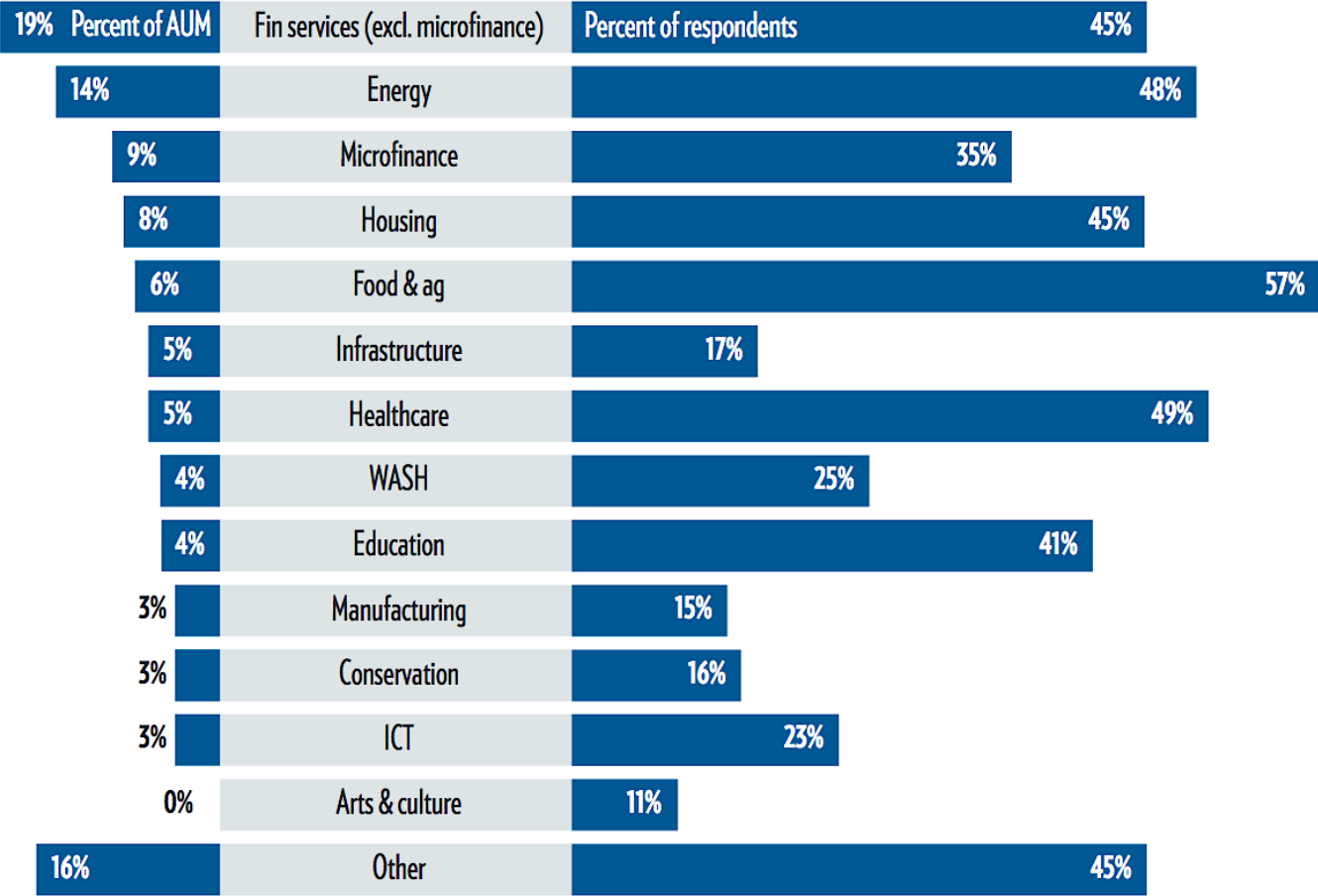
Some experiences/critics from the investees

- Entry of investors with no **public mandate** in areas of human rights, and dealing with **marginalized groups**.
 - What does it do to education or healthcare?
- **Voice of stakeholders** not heard in defining social impact objectives and measures.
- **Voice of investees** not heard either....
- **Social impact measurement can be disruptive**
 - Can we measure and manage people/activities in diverse settings from a distance?
 - The problem of distance and comparability...
- **Imposing financial return obligations on some social projects can be disruptive**
 - Financial returns from biodiversity or primary education?
- Impact investing is primarily focused on growth stage. How about **seed financing**?

Social Focus Areas

Left side, Percent of AUM: n = 226; total AUM = USD 228.1 billion.

Right side, Percent of respondents with any allocation to each sector: n = 229; respondents may allocate to multiple sectors.



Note: Other sectors include SMEs, child welfare, commercial goods, transport, retail, tourism, forestry, and commercial real estate.

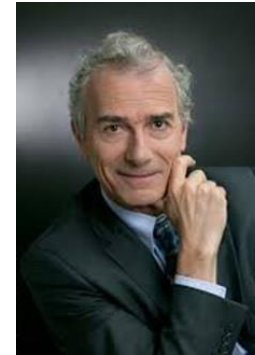
Source: GIIN

Première table ronde

De quelle manière l'investissement à impact peut-il / va-t-il occuper l'espace vacant entre investissement classique et actions philanthropiques ?



Steven SERNEELS
CEO EVPA



Frédéric TIBERGHIE
Président de Finansol



Jean-Michel LECUYER
DG délégué INCO



Jean-Pierre LEFRANC
DFI Habitat & Humanisme



Tonika HIRDMAN
DG Fondation du Luxembourg

Rôle des entreprises dans l'émergence et la consolidation de l'Impact Investment



*Steven Serneels,
Impact Investor SI2 Fund
EVPA CEO a.i. & Board member
Chairman Task Group Corporate Initiative*

October 10th 2018



CHANGING LANDSCAPE: BOTH CORPORATIONS AND SOCIAL ORGANISATIONS

Spectrum of Organisations



Societal mission comes first

Profit motive comes first

Solidaridad



FAIRPHONE



CHANGING LANDSCAPE ALSO THE WAY WE INVEST IS CHANGING

Spectrum of Organisations



Societal mission comes first

Profit motive comes first

Spectrum of Investing

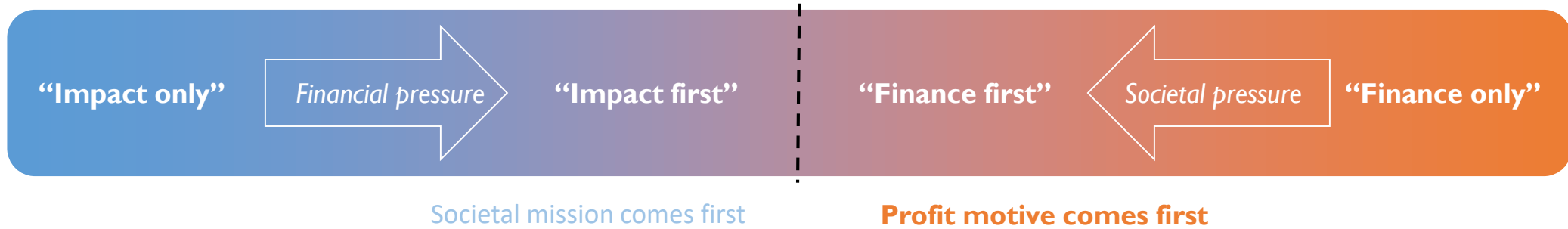


Societal impact comes first

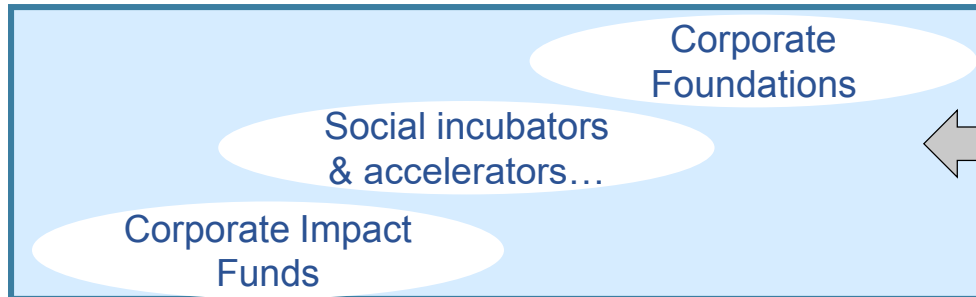
Financial return comes first



CHANGING LANDSCAPE CORPORATIONS AND THEIR SOCIAL INVESTMENT VEHICLES



CORPORATE SOCIAL INVESTORS



CORPORATE





Societal mission comes first

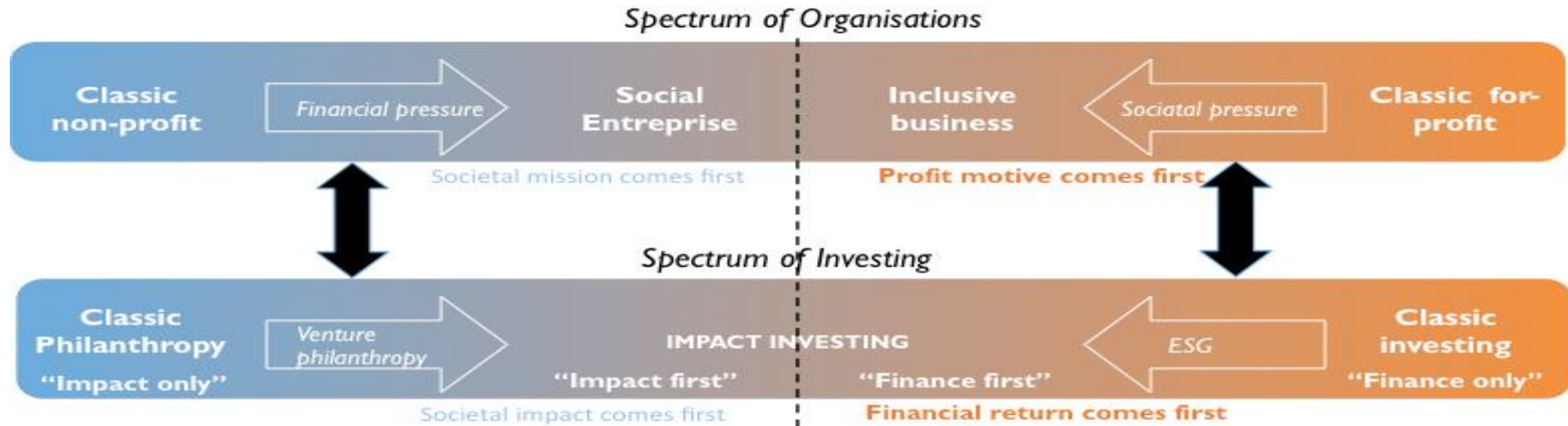
Profit motive comes first



Corporate Impact Fund

- **Mission:** UK's first impact fund (2013) investing in social enterprises in the energy sector
- **Budget:** GBP 10 million over 10 years, invested through subordinate debt or equity, in 14 SPO
- **Helped** CENTRICA sourcing social business innovations; but also attract and retain top talent
- Now incorporated as Centrica (Social) Innovation Lab, a GBP 100 million fund

CHANGING LANDSCAPE CORPORATIONS AND THEIR SOCIAL INVESTMENT VEHICLES



CORP. SOCIAL INVESTORS



CORPORATION

C&A Foundation

ERSTE Stiftung

Vodafone Institute for Society and Communications

Swiss Re Foundation

Walmart Foundation

Swiss Re

ERSTE BANK

Walmart

vodafone

C&A

HOW TO COLLABORATE

Unlocking the potential of corporates to scale societal impact



Societal mission comes first

Profit motive comes first

CORP. SOCIAL INVESTORS



CORPORATION

TO OFFER

- Social innovations with business relevance
 - Employee engagement
 - Systemic change at industry level

TO OFFER

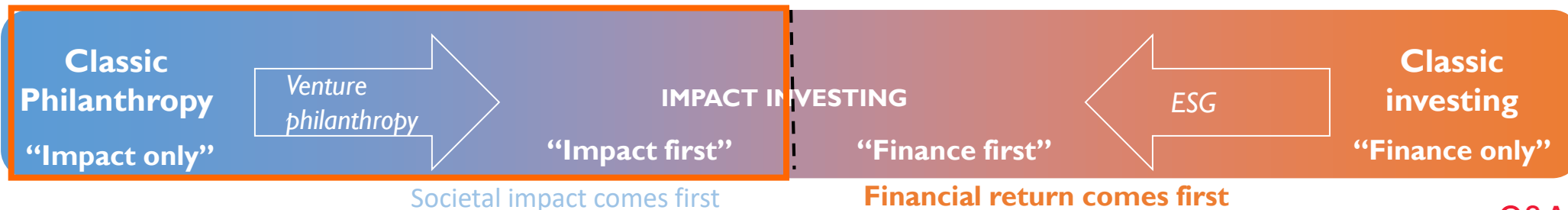
- Access to corporate assets (network & markets, expertise, (financial) resources, ...)
- Credibility & convening power

SOCIAL INNOVATION

SCALE

Venture Philanthropy/Social Investing
(EVPA's focus)

Spectrum of Investing



EVPA's Corporate Initiative connects about 70 European corporate social investors

Strategic Objective 1
Understanding & Awareness

Strategic Objective 2
Increasing community

Strategic Objective 3
Guiding and improving



Deuxième table ronde

Comment vont se structurer les nouveaux arbitrages à faire entre investissement classique & investissement à impact, d'une part, et entre investissement à impact et philanthropie, d'autre part ?



Steven SERNEELS
CEO EVPA



Cécile CABANIS
DFI Danone



Gilles VERMOT-DESROCHES
DDD Schneider Electric

Conclusion par Rémy Weber