

IMPACT STRATEGY

“As a pioneering model in France, Phitrust Partenaires gathers private and institutional investors to finance and support innovative social enterprises in order to raise their impact for society. Beyond the financial contribution, we mobilise around entrepreneurs network of executives and former managers who commit to capital, governance and project monitoring. Patient capital, support and partnerships are an integral part of our business to develop an economy that integrates the challenges of inclusion and the environment without setting them against each other.”

- OLIVIER DE GUERRE, PRESIDENT, PHITRUST PARTENAIRE -



Money donated

Financial return



Phitrust is **willing to take very high risks** if it believes in the team and in the business model of the potential investee. Being risk prone helps Phitrust always find potential interesting new investments, without issues linked to a missing quality pipeline. In order to diversify the risks in terms of impact and financial expectations, Phitrust takes a **portfolio approach**, aiming at balancing successes and possible failures.



Debt / Loan



Equity



Hybrid financial instruments



Phitrust takes a **bottom-up approach to IMM**. During the due diligence phase, together with the investee Phitrust agrees on objectives for a three-year and a five-year period, which are then **annually revised** by the board of Phitrust and the investee. Phitrust works on guaranteeing that the investee's strategy leads to achieving the social impact sought. Additionally, Phitrust links a **carried interest** to the realisation of impact objectives.



Social purpose organisations with a **potentially financially / self-sustainable** business model

Social purpose organisations with a **proven financially sustainable** business model

Phitrust Partnaires (Phitrust) is a French social impact fund that provides **technical and financial support** to **small and medium-sized for-profit companies** creating a **positive social and environmental impact** while pursuing **financial sustainability and profitability**.

Phitrust invests in a variety of sectors taking a **project approach**, with a particular focus on financing social businesses in Europe, West Africa and South-East Asia.

Phitrust considers itself as **a means for the social enterprise** to achieve the impact it seeks, and therefore it **only invests when it can contribute to the maximisation of the social impact**. For Phitrust, social impact can only be generated if the social business achieves **financial sustainability** and **organisational resilience**.

Thus, Phitrust supports social businesses in **defining an appropriate strategy**, which lets them achieve their objectives in terms of impact expectations and financial and organisational sustainability.

Besides the financial offer, Phitrust also customises the provision of **non-financial support** to the needs of the investee. Each social enterprise benefits from **strategic and tailored support** provided by one of the members of Phitrust's Investment Committee.

FIND OUT MORE: SUCCESS STORY

Preventing social exclusion through job insertion



Read the full story [here](#) >

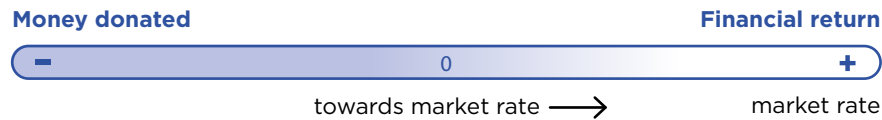
La Varappe - Phitrust © La Varappe

- STARTING POINT
- FINANCIAL RETURN TARGETED
- SOCIAL & FINANCIAL RISKS
- FINANCIAL INSTRUMENTS USED
- IMPACT MEASUREMENT AND MANAGEMENT
- SOCIAL PURPOSE ORGANISATIONS (SPOs) SUPPORTED

Investing *for* impact



What financial and non-financial support does the **investee need** to maximise its social impact?



- **Financial risk** is a secondary or **no decision-making factor**
- Achieving net positive social impact is the main decision-making factor
- Accepting **high financial risk** if the potential social impact is high



Grant



Debt / Loan



Equity



Hybrid financial instruments



- Focus on the **process**
- Adopt a **high engagement** approach
- Put emphasis on **Theory of Change**
- Start with **customised indicators co-designed** with the grantee/investee

Social purpose organisations that **will never be financially / self-sustainable**

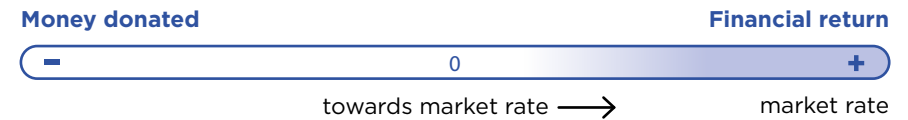
Social purpose organisations with a **potentially financially / self-sustainable** business model

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Investing *with* impact



How to put **money to good cause**?



- Financial risk is the main decision-making factor and focus on **de-risking the financial component**
- Focus on social impact as long as the investment is also **financially sustainable** or it does not entail a higher financial risk



Debt / Loan



Equity



Hybrid financial instruments



Investee's **data and evidence** and/or **available standardised metrics** of social impact are (re-)used to make investment decisions

Traditional businesses with intentional **social impact**

ESG-compliant **traditional** businesses (often listed companies)