European Venture Philanthropy Industry

Preliminary results of first EVPA survey
November 16, 2011

EVPA's Knowledge Centre is generously supported by:

Industry survey / Introduction

Starting 2011, EVPA surveys VP organisations on an annual basis to:

- generate industry statistics;
- publish industry report that should enhance the legitimacy of the VP Industry;
- better target services to members' needs
- *first* comprehensive survey of VP industry by EVPA - some issues to be corrected next year

Reliable data on VP Industry useful for EVPA members to:

- improve their practices through benchmarking exercises;
- attract resources including funding and professionals;
- make their voices heard in public relations and with policy makers

Statistics on surveys collected	
VP players surveyed	65
Total completed surveys	50
Total response rate	77%

VP organisations have invested €1BN in total support since their inception

Investment made in VP since the beginning of respondents' operations

1 BN

The VP industry is still in its infancy, with many small VP orgs that struggle for survival

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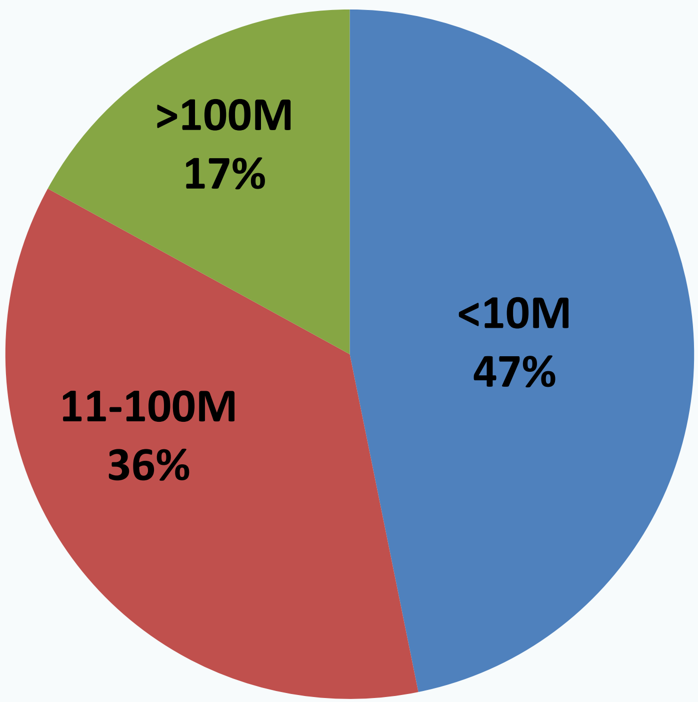
Number of VP orgs by size category (total funding committed)



Median and Average Org Size :

Median size
11M Euros

Average size
82M Euros

Investment criteria is focused on societal returns; when financial returns are earned, 68% use them for reinvestment

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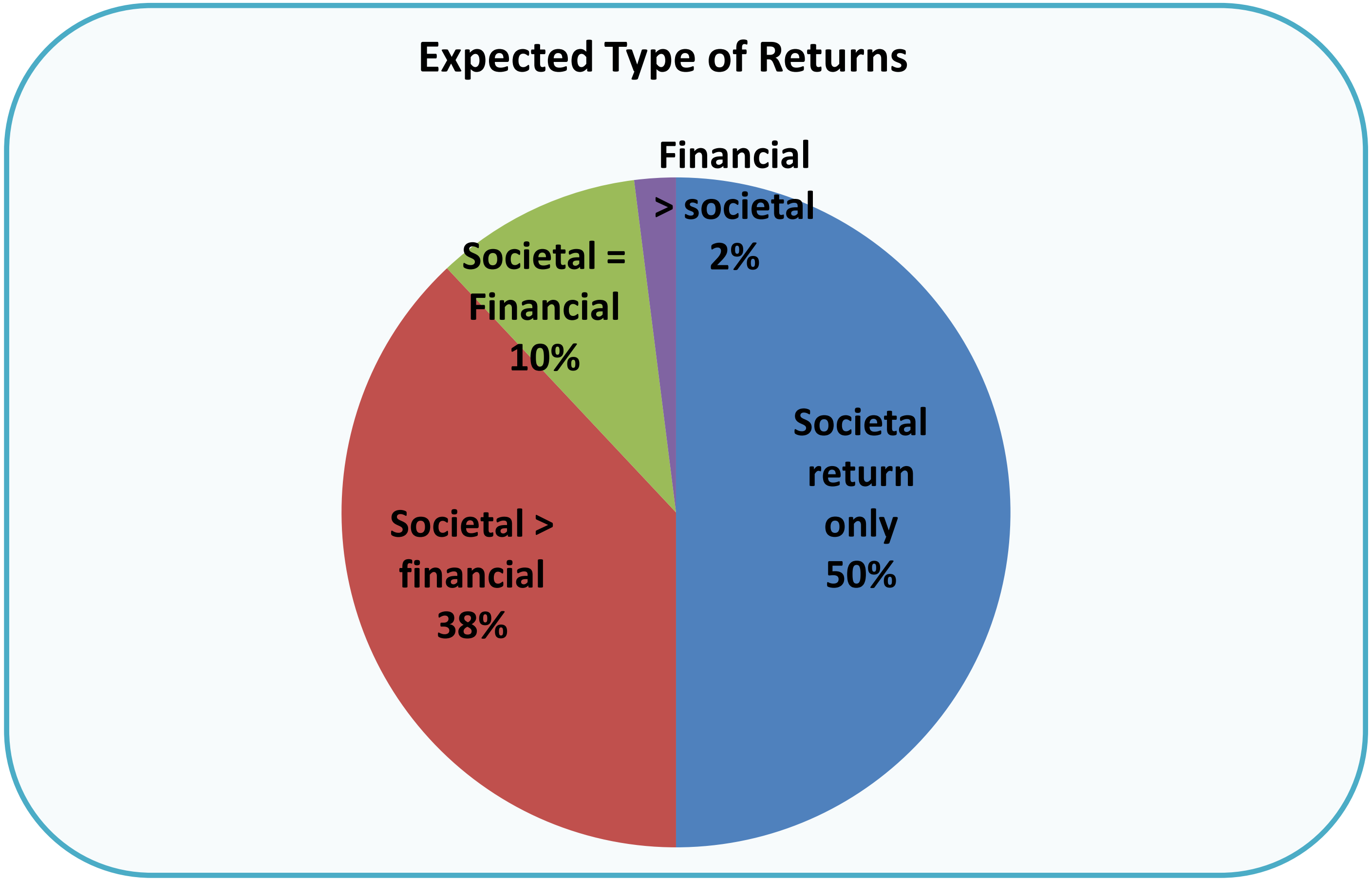

VP organisations illustrate diversity in their funding sources

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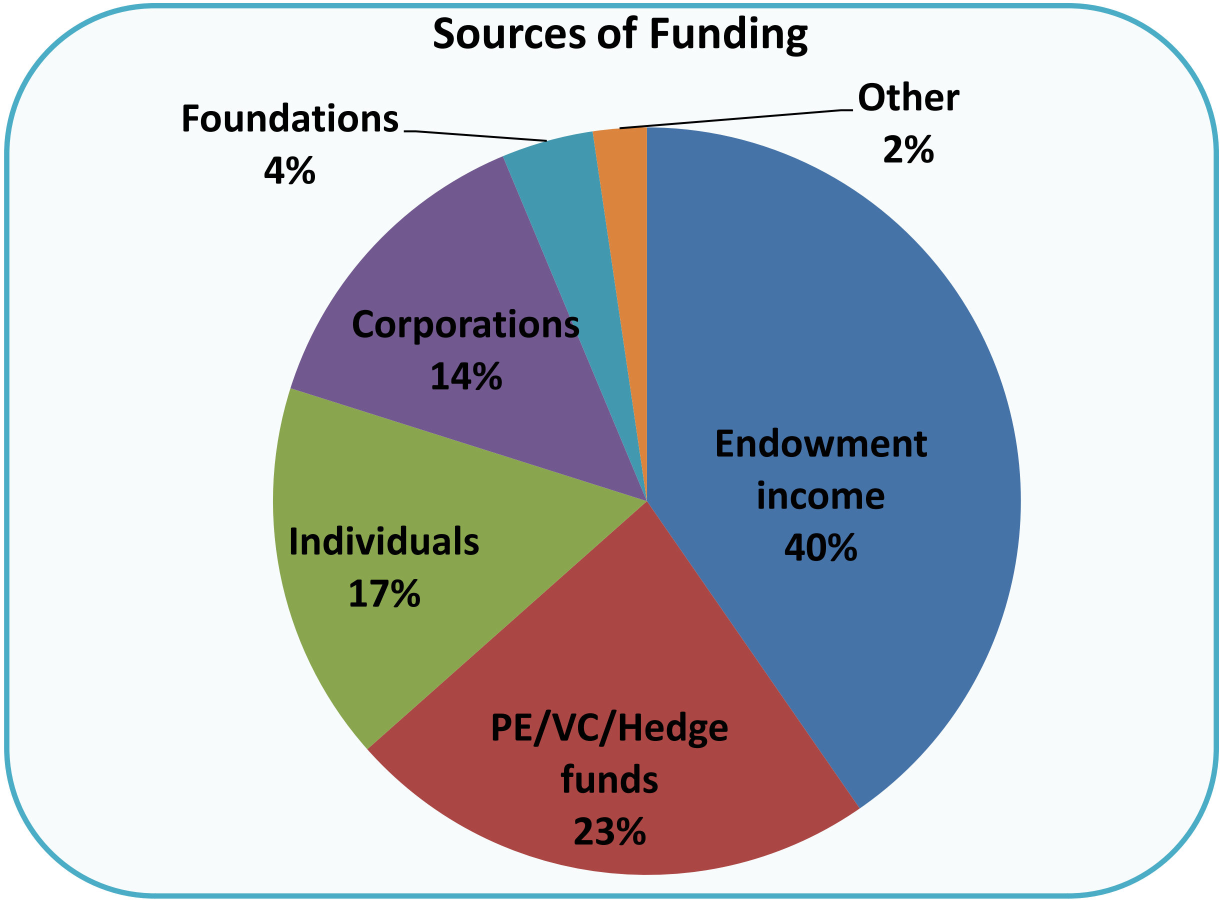
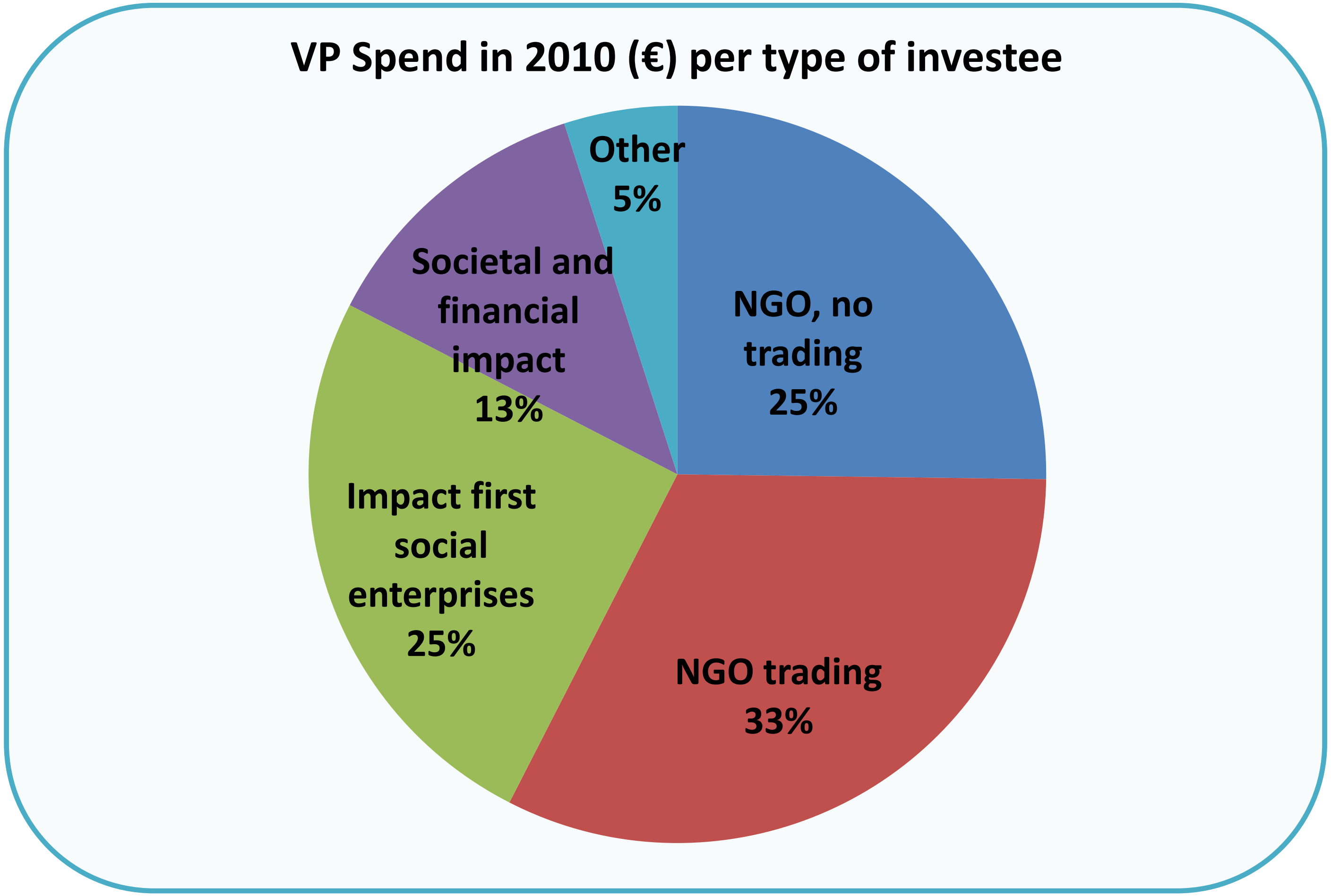
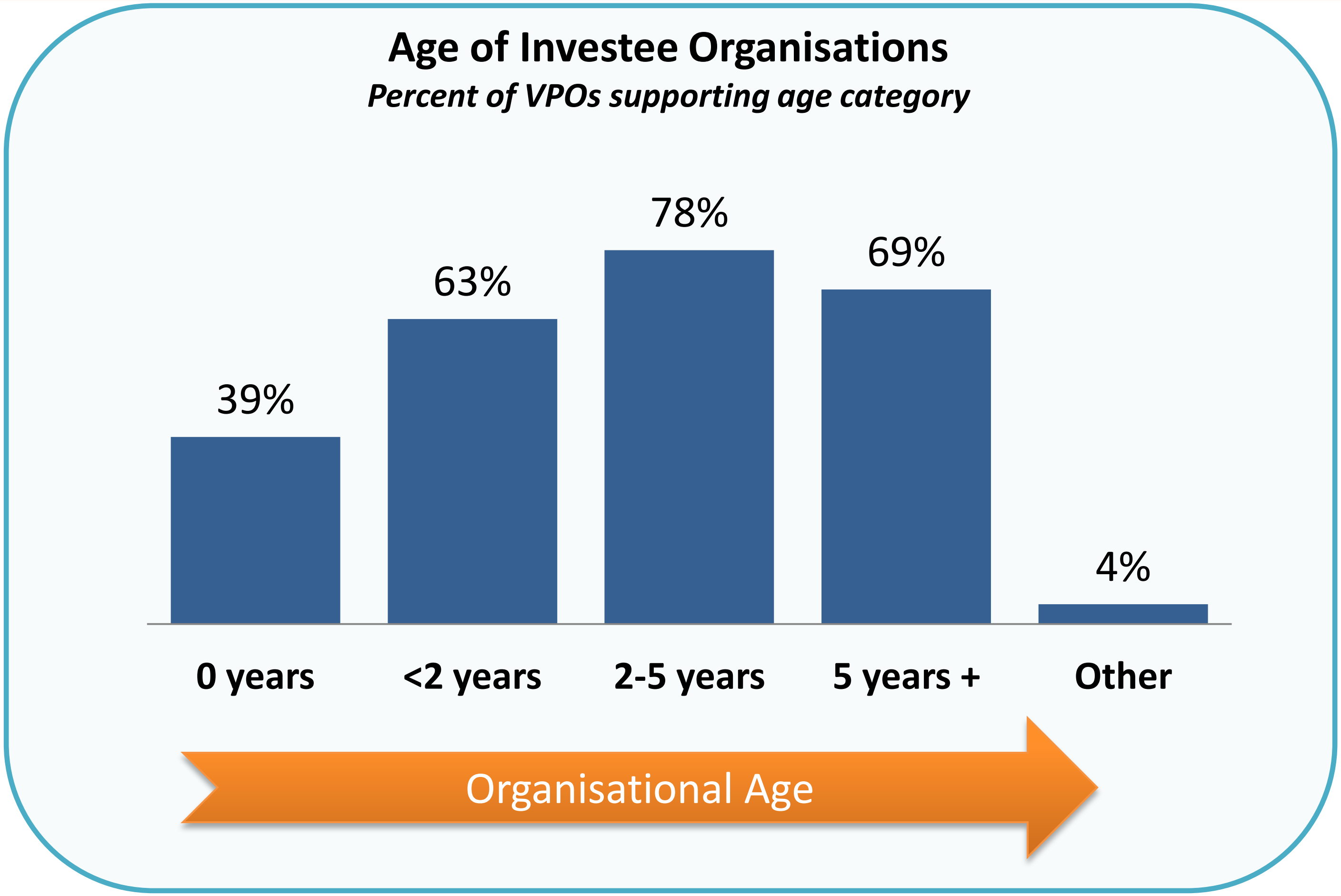


Other includes Governments, institutional investors, recycled returns and earned income

VP funders mainly support non-profit organisations and for-profits with a social mission



VP organisations invest in young organisations and are even willing to invest in start-ups



Health and education are the main target sectors of VP organisations

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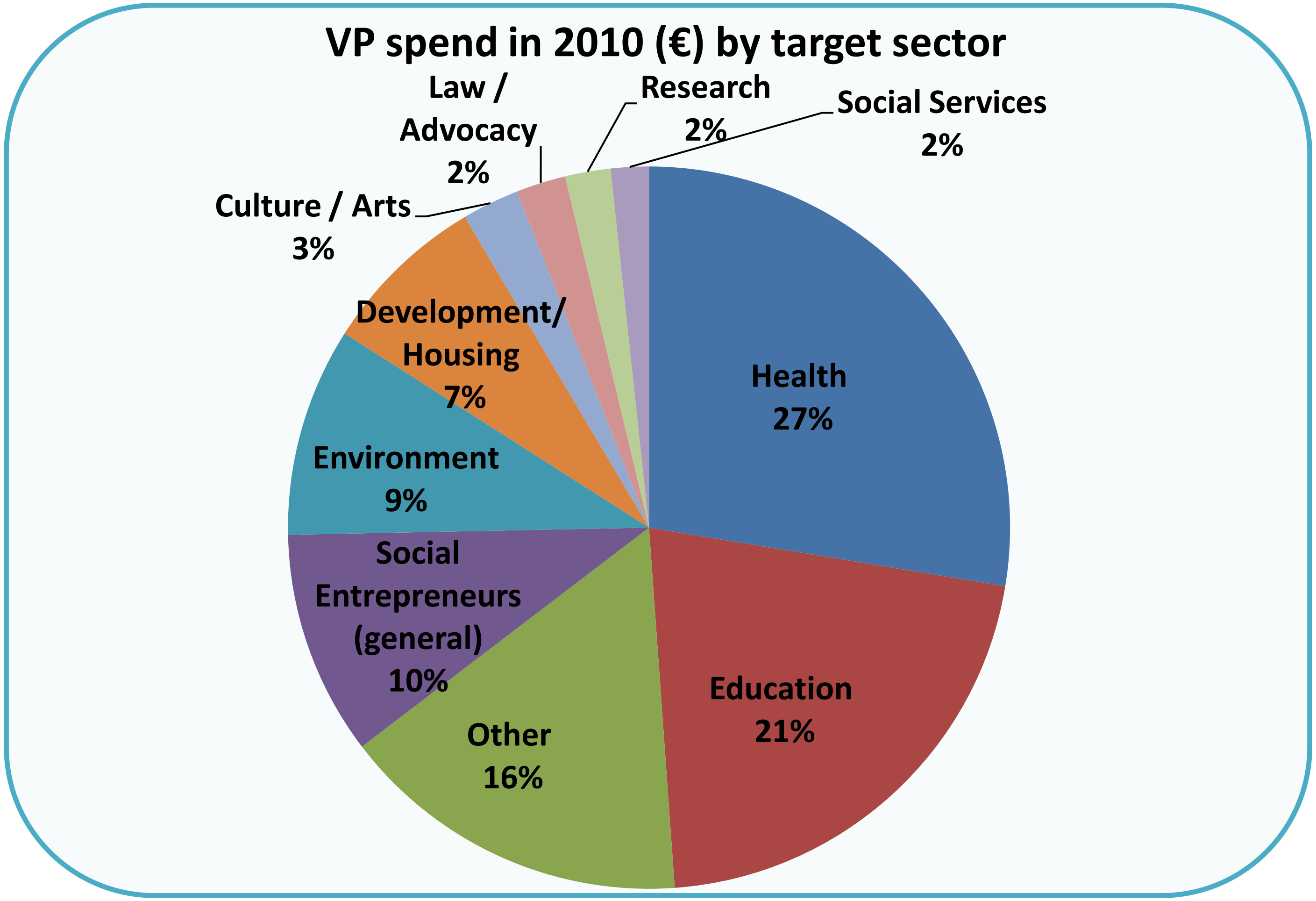

Children, youth and people suffering from poverty are the main beneficiaries of VP investments

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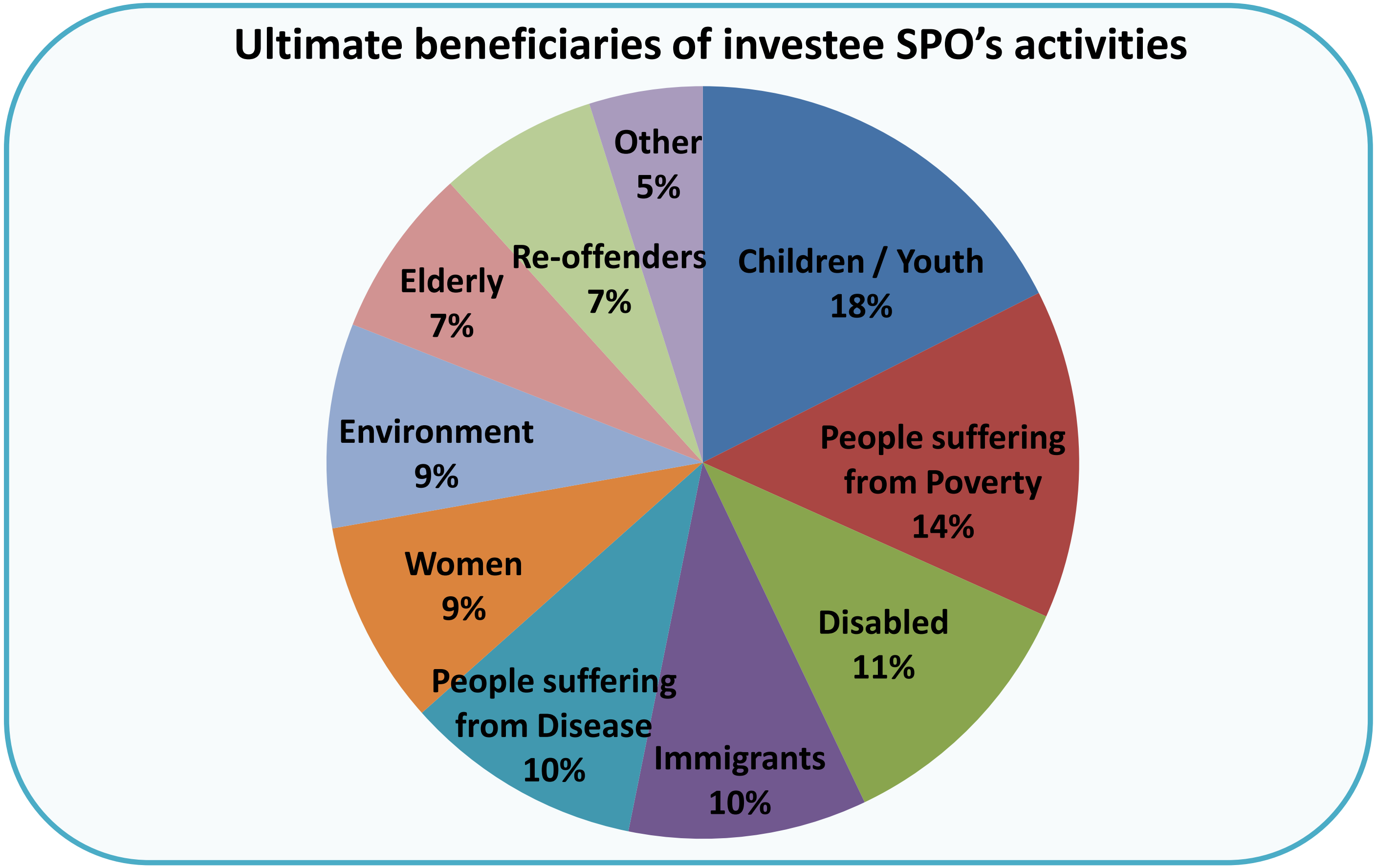

Majority of investments are made in respondents' domestic or regional markets; otherwise in developing economies

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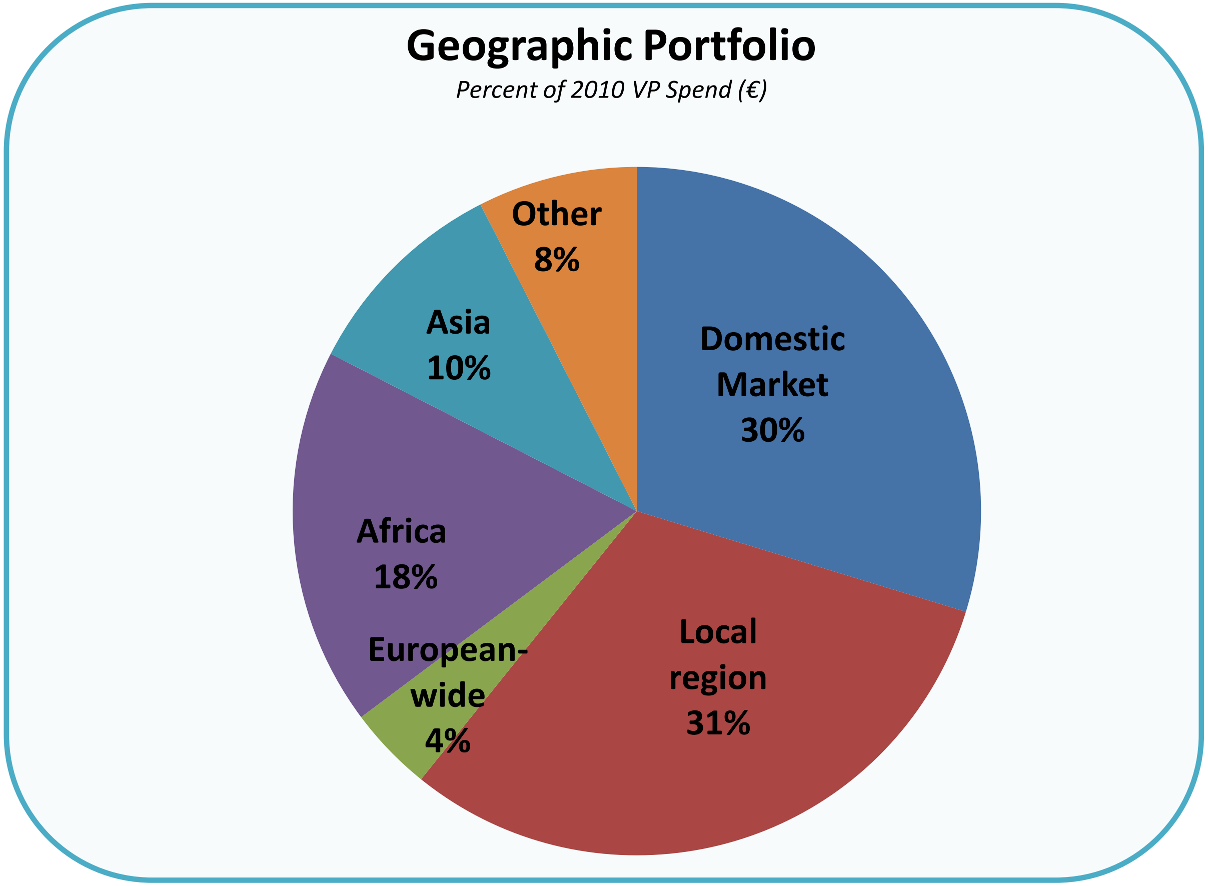
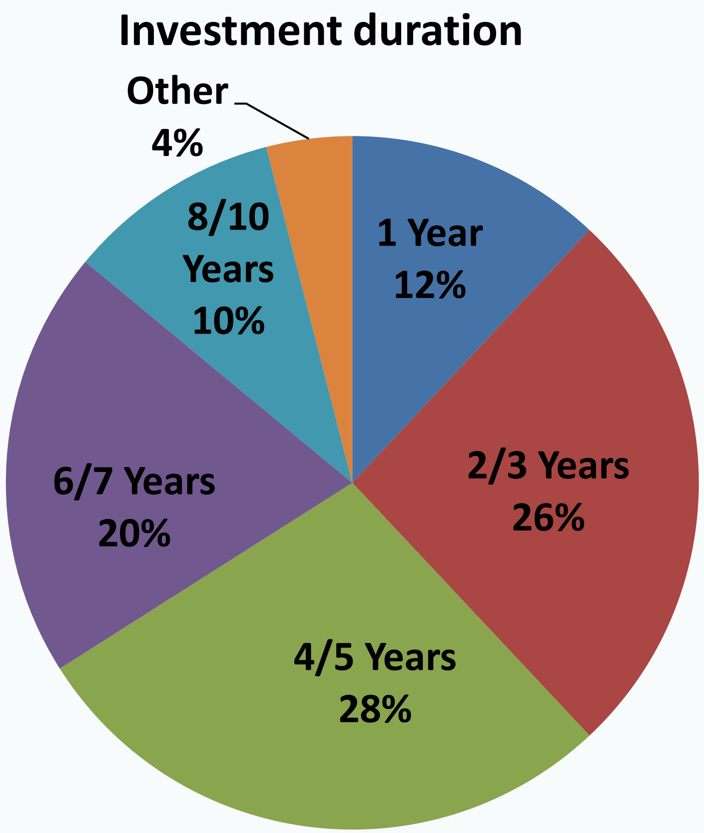


VP follows a multi-year investment approach and the investment duration has either increased or remained constant



Majority of respondents invest in the form of grants

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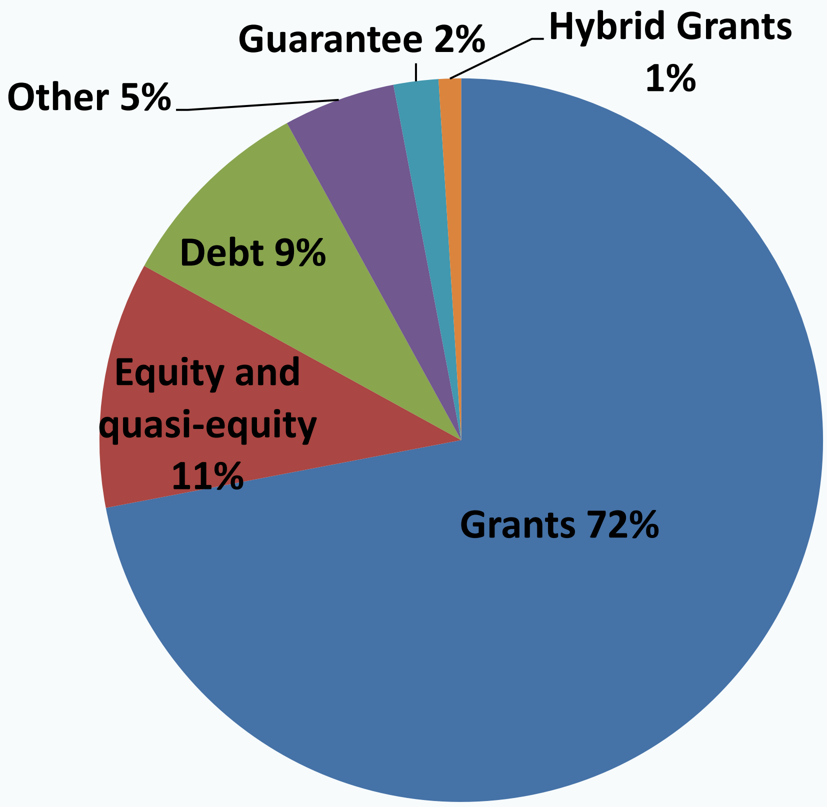
Financial Instrument Portfolio

Percent of 2010 VP Spend (€)



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Non-financial support is key to investees

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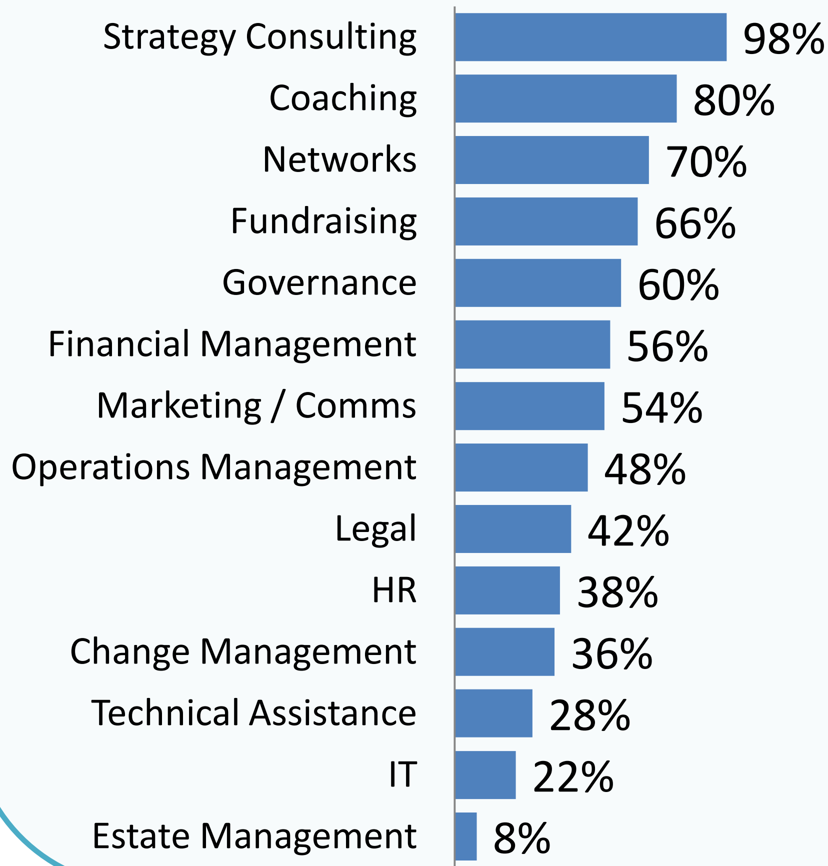
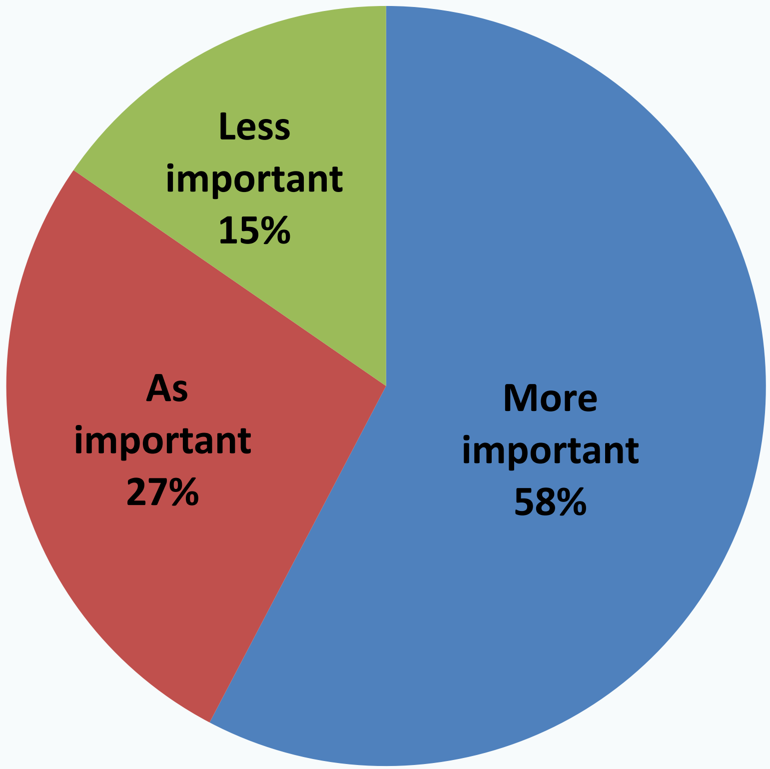
Type of Non-Financial Support

Percentage of Respondents



Investees' Perception of non-financial support vs. funding*



* According to investor respondents

Three quarters of respondents meet with their investees' at least once a quarter and take a board seat

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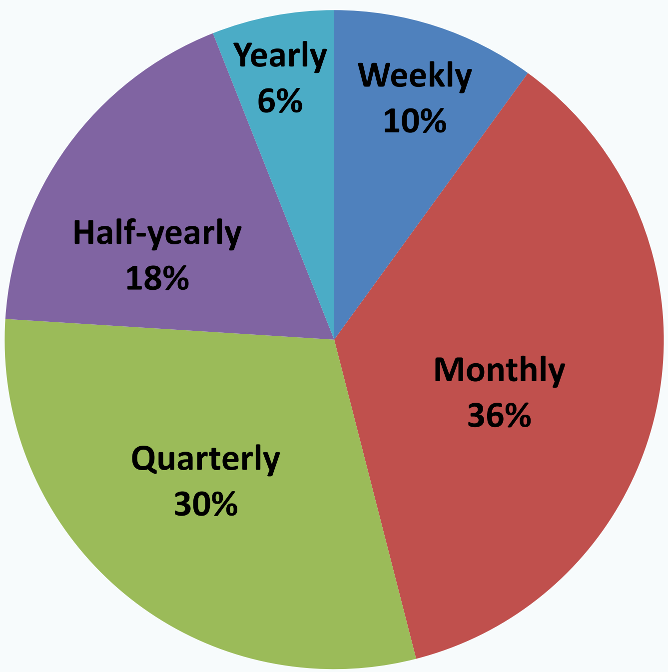
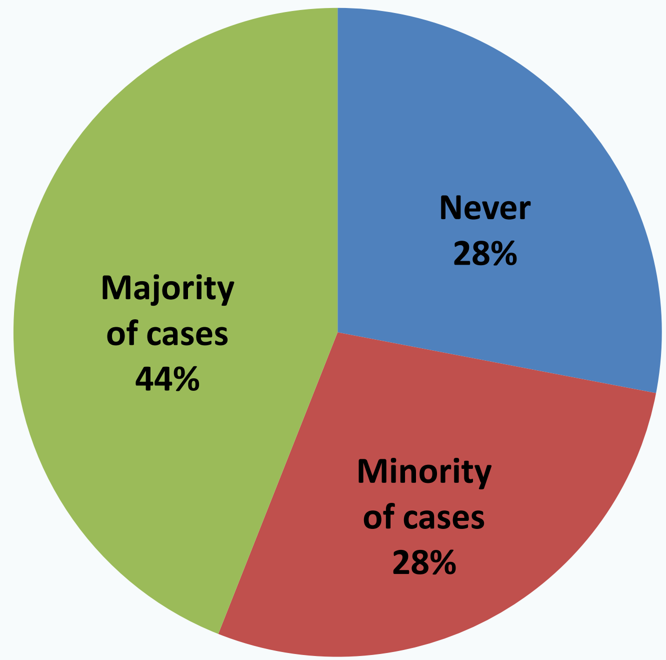
Frequency of Face-to-Face Meetings with Investees' Management Teams



In which percent of your investees do you take a board seat?



A majority (92%) of VP investors evaluate social performance of investees with a variety of objectives

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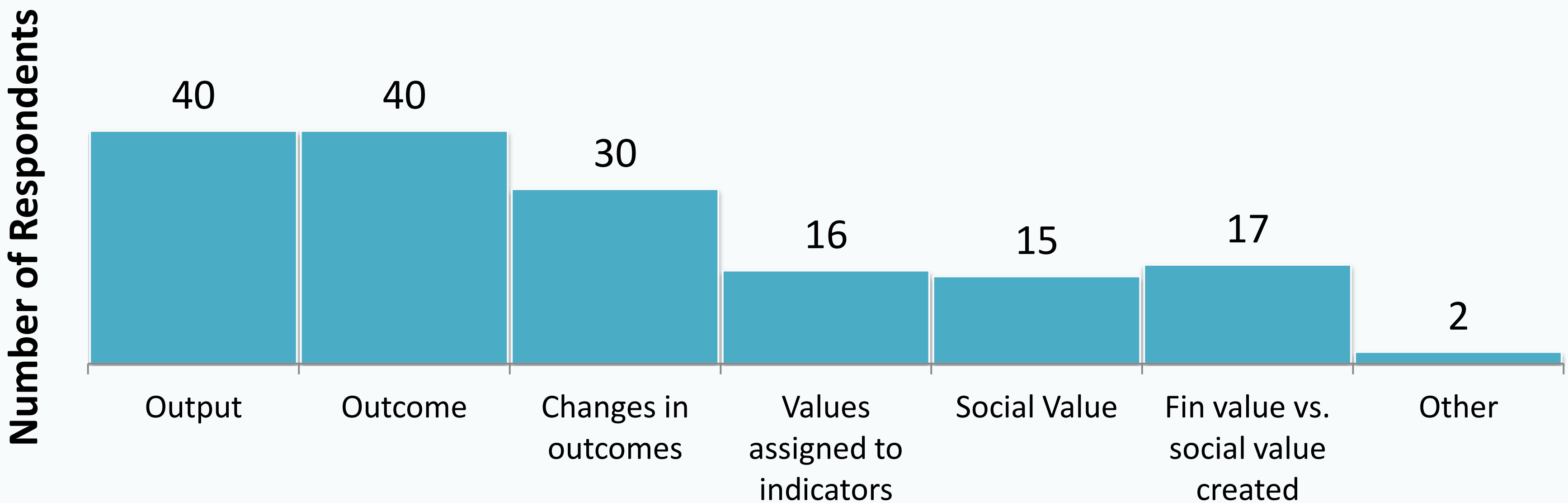
Objectives of social impact measurement system



Output	Outcome	Changes in outcomes	Values assigned to indicators	Social Value	Fin value vs. social value created	Other
Number of people reached, items sold, etc.	*Effects on target population*	*Change in effects over time*	*Financial value to the indicator*	*Investee's contribution to Social value*	*Monetising social value vs. financial investment*	

Each respondent measured three different degrees of social impact, on average

Most VP investors have a planned exit strategy

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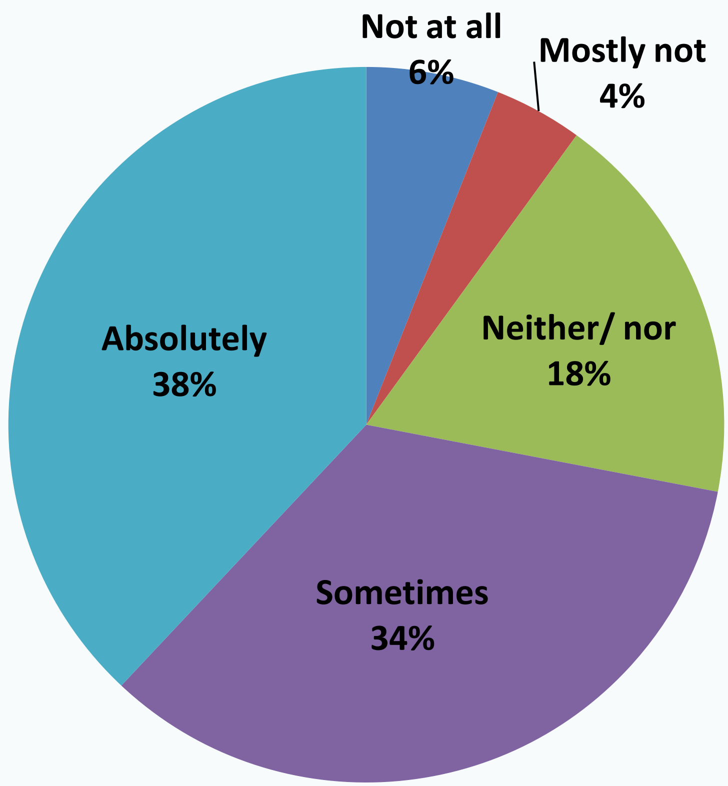
Do you have a <u>Planned Exit Strategy</u> for your Investments?



Key Take-Aways

- Total VP investments have hit the € 1 Billion mark
- The industry consists of a large number of small organizations
- Investments are helping the weakest on all societal issues
- Strategies focus on impact first, with non-financial hands-on support adding value to investees