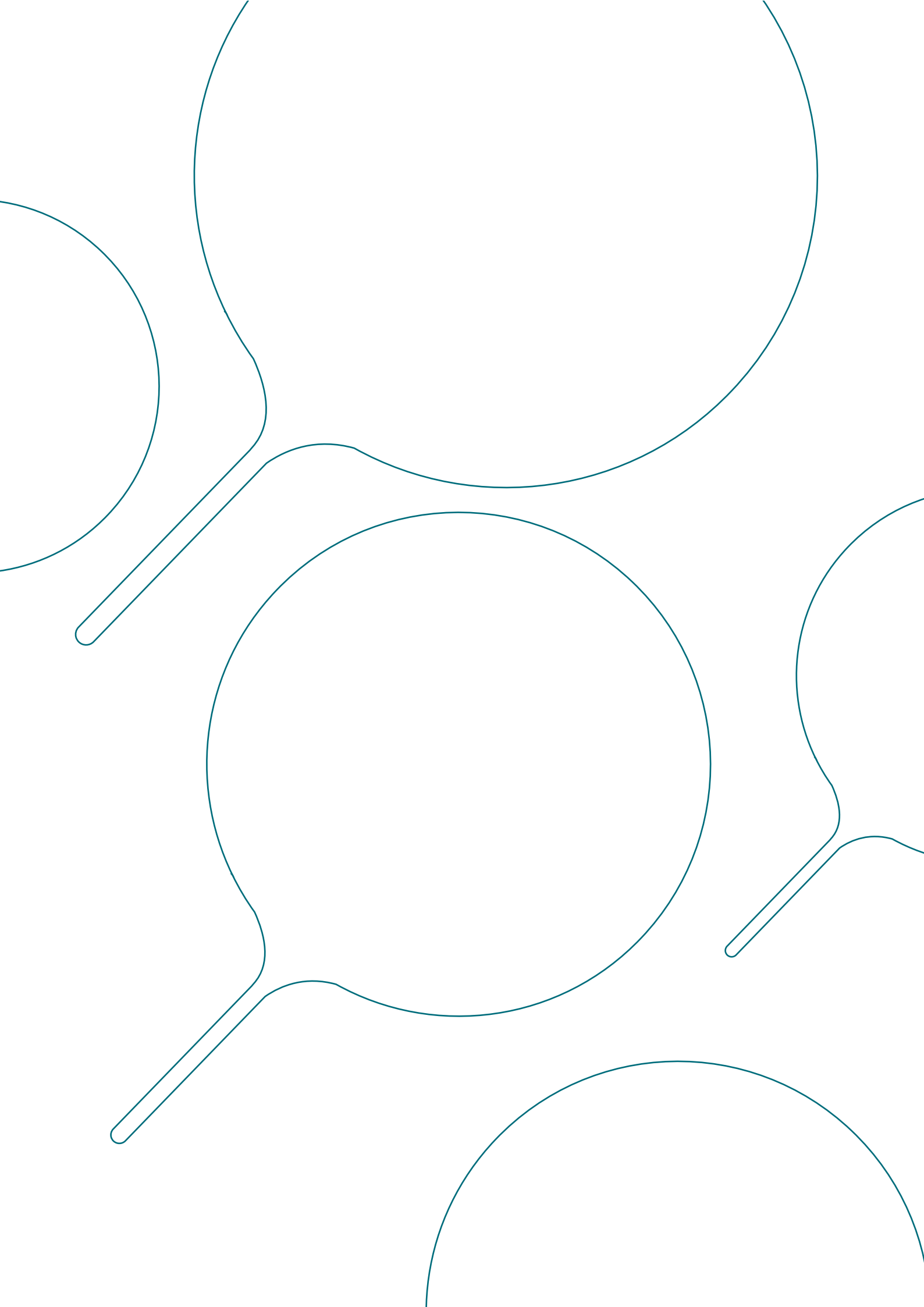




IMPACT REPORT 2022

IMPACT.
BY INVESTING.

*Summary of
italian version*



IMPACT REPORT 2022



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1. FONDAZIONE SOCIAL VENTURE GIORDANO DELL'AMORE

IMPACT. BY INVESTING.



MISSION

To promote the culture of impact investing and social innovation in Italy and to foster the wider dissemination of best practices and competences.



VISION

To contribute towards steering finance towards a change of perspective: investing with patience and generating impact.

FROM THE ORIGINS TO THE PRESENT

Fondazione Social Venture Giordano Dell'Amore (hereafter "FSVGDA" or "the Foundation") was founded in 2017 by Fondazione Cariplo, in the wake of the patrimonial inheritance and experience gained by two historical philanthropic institutions: Fondazione Opere Sociali ("FOS") and Fondazione Giordano Dell'Amore ("FGDA").

FSVGDA promotes the impact investing culture in Italy and Europe, as a means of fostering social innovation. As advisor and investor, it supports companies that are

facing significant social, environmental, and cultural challenges, by providing them with competences and patient capital.

To accomplish its mission, the Foundation develops a variety of integrated activities which are aimed at strengthening the ecosystem of impact investing: an operating model which enables the Foundation to act simultaneously on both the demand and supply side of the market.



INSTITUTIONAL ACTIVITY



Promoting the culture of impact investing in Italy and Europe, including participating in national and international debate. The Foundation is in permanent collaboration with public and private institutions, research centers, universities, investors, and funds that are involved in social innovation, impact investing and sustainable finance.



CAPACITY BUILDING



Supporting, in partnership with Fondazione Cariplo, the Italian social entrepreneurship ecosystem in its ability to generate social innovation, by providing dedicated tools and programs.



INVESTMENT ACTIVITY



Providing patient capital to SMEs, start-ups, vehicles, and economically sustainable non-profit organizations that carry out activities with social and environmental impact.



ADVISORY

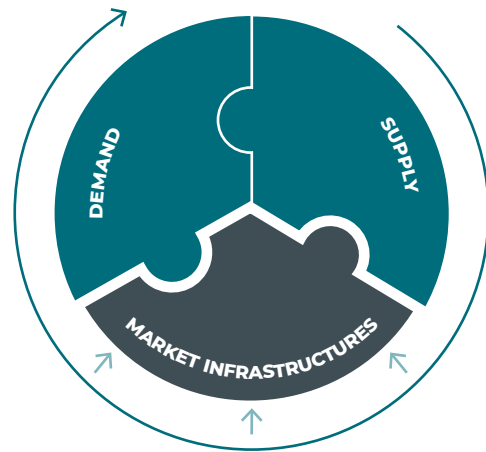


Offering institutions, investors, and entrepreneurs in the impact investing sector its expertise in defining investment structures, identifying best practices for measuring social impact, assessing business plans, and designing the most efficient financing structures.

2. **ACTIVITIES**

2.1 INSTITUTIONAL ACTIVITY

Since 2017, the Foundation has been committed to promoting impact investing in Italy and Europe, actively contributing to the dissemination of best practices and competences and to the development of social innovation. In particular, it aims to support the current “market building” phase of the sector, encouraging dialog between capital supply and demand and supporting the construction and strengthening of the necessary market infrastructure.



Dissemination

Each year, the Foundation carries out a significant number of research, analysis and dissemination activities, in collaboration with a network of institutions, universities, public bodies, funds, corporates, incubators and accelerators. In particular, it participates in national and international events and supports training programs

dedicated to the development of competences in the fields of social entrepreneurship and impact finance, and it is constantly developing an on/off-line communication activity with the aim of spreading the culture of impact investing and making the know-how acquired available to all.

Events and training

/summary data to 2022

more than
50
dissemination
events promoted

more than
80
speeches at
national and
international
events on *impact
investing*

48

"Impact" entrepreneurs
trained by "Impact
Your Talent", a program
launched with SDA
Bocconi



Training of the Foundation
and investee companies
within the framework of
the EC EaSI TA program

Website and communication

/summary data to 2022

216
Impact Weekly Report
on scenario news shared

more than
300
articles published in
trade journals

1
topical glossary on the
FSVGDA website
36
covering
terms

International Comparison



Today, the Foundation represents a **respected and recognized point of reference in the European impact investing landscape** and has developed a wide network of international relations with institutions, foundations, funds, and associations that are active in the sector.

Support for the impact ecosystem

The Foundation has dedicated part of its assets to strategic investment in four active funds in the impact investing sector, contributing to and participating in the

birth of alimpact - Avanzi Etica and OPES Italia, and in the strengthening of Oltre Venture and SEFEA Impact.

“

Since 2017, the capital of “strictly impact” operators in Italy available for impact investments has seen a steady growth trend, going from €46 mln to €229 mln in 2022.

	2017	2018	2019	2020	2021	2022
ACTIVE OPERATORS	3	4	4	6	6	7
AVAILABLE CAPITAL	46MLN/€	61,5MLN/€	68MLN/€	109MLN/€	204MLN/€	229MLN/€
INVESTMENTS COMPLETED	9	30	25	38	42	49
CAPITAL INVESTED IN THE YEAR	6,2MLN/€	12,6MLN/€	8,8MLN/€	11,8MLN/€	17,7MLN/€	35,4MLN/€
INNOVATIVE START-UPS REGISTERED	+8.400	+10.000	+11.000	+12.000	+14.000	+13.400
SIAVS – START-UP INNOVATIVE A VOCAZIONE SOCIALE - REGISTERED	106	210	224	221	196	n.d
CERTIFIED INCUBATORS	33	33	35	39	38	44

* FSVGDA elaboration based on private sources.

In 2017, the Foundation designed and structured Get it! – Percorso di Valore, a social entrepreneurship facilitation program which is supported by philanthropic resources from Fondazione Cariplo and was set up in partnership with Cariplo Factory.

Get it! is dedicated to impact start-ups and makes it possible to:

- support the *capacity building* of entrepreneurs;
- offer patient capital to support the best impact initiatives;
- support the network of Italian incubators and accelerators with expertise in assisting impact start-ups;
- involve active players from the profit sector (eg. *advisors*, professionals and consultants) in the *impact* ecosystem;
- promote open *innovation* and contamination programs among start-ups, corporates and institutions.

Support to the ecosystem

/summary of cumulative data to 2022



4

.....
impact investing funds supported with an investment



of which

2

.....
are in the early stages of development



35

.....
mentors involved in capacity building activities



24

*incubators and accelerators selected and contracted throughout the national territory



€835.900

paid to the network of incubators and accelerators



€170.900

in 2022



2.2 CAPACITY BUILDING

The offer of competence and expertise is a central tool in the operating model proposed by FSVGDA.

Capacity building initiatives, aimed at **developing a more robust and structured demand for capital**, are a necessary condition for making *impact investing*

sustainable and attractive to investors. Although these are mainly implemented through Get it! – Percorso di Valore, the Foundation can also offer entrepreneurial support to teams or entrepreneurs outside of these programs.



Through our *capacity building* initiatives, we aim to provide a wide range of tools and services to support innovative social entrepreneurship, balancing the supply of skills and capital throughout the entire life cycle of a business.

Marco Gerevini

Board Member - Fondazione Social Venture Giordano Dell'Amore

GET IT!

Get it! is designed to offer effective capacity building tools to the best impact entrepreneurial initiatives. It enables them to access incubation, acceleration, mentorship, and

investment readiness programs and is oriented towards the achievement of three main objectives:



To foster, through an “*investment ready*” approach, the generation and development of entrepreneurial ideas that are able to respond in a sustainable and innovative way to the main historical or emerging social, environmental or cultural challenges.



To facilitate the technology transfer of innovative solutions



To promote *open innovation* paths and contamination between ideas, start-ups, businesses, institutions, and programs

The origins of Get it!

/capacity building and impact investment readiness for start-ups

The Italian impact investing sector suffers from a **very limited investment readiness** of the impact initiatives and organizations involved. The number of enterprises whose business models are able to generate social value while remaining economically sustainable is still extremely small.

Through Get it!, FSVGDA sustains the flourishing ecosystem of innovative social initiatives, enabling start-ups to develop their activities with the support of “tailor-made” incubation, acceleration and mentorship programs.

A program of



In partnership with



Supported by



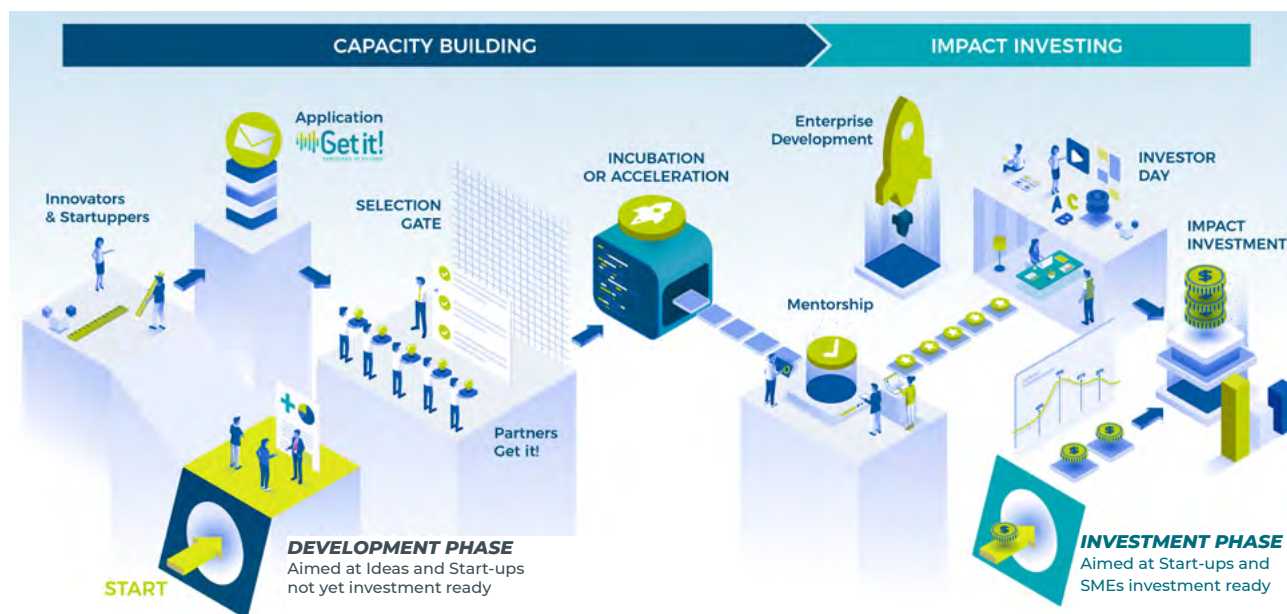
Get it! operating model

To maximize the effectiveness of its operating model, the Foundation has developed an identity approach that it defines as "**Social Venture Building Model**" (see figure 2.1): an operating model that combines *capacity building* and *impact investing* and which aims to encourage the

development of new start-ups which are not yet active in the market and are not sufficiently attractive to investors. Representative of this approach is the "Value Path" that Get it! offers to new enterprises.

The Social Venture Building Model

figure 2.1



The "Social Venture Building Model" enables the Foundation to accompany teams of innovators on a growth path inside the vast ecosystem of incubators, accelerators, mentors and investors. As shown in Figure 2.1, while ideas and start-ups at an early stage of maturity can access a gradual path to *empowerment* and *investment readiness* that culminates in their participation in the annual *Investor Day* (the so-called "empowerment gate"), more mature businesses can

apply for a direct investment by the Foundation, using the dedicated *application form* available on the institutional website (the so-called "investment gate"). By balancing the supply of competences and capital in the market, this approach enables the Foundation to intervene throughout all phases of an enterprise's lifecycle and to support the various entrepreneurial initiatives towards investability.





4.5 MLN/€

contribution of
Fondazione Cariplo



Get it!
PERCORSO DI VALORE



15

"Call for
Impact"
launched



+3.000

innovators
involved



1.266

applications received



435 first edition

496 second edition

121 InnovaMusei | Call Get it!

104 Get it! For CGM

52 Get it! For Lacittàintorno

37 Get it! Twice

21 Progetto ECO: Economia di Comunità



15

Selection Day



181

teams invited
to present
their project



102

empowerment
paths financed



6

Investor
Days



45

national and
international
investors
involved



3

instances of
participation as a
partner in *capacity
building* programs

➔ Welfare che Impresa!

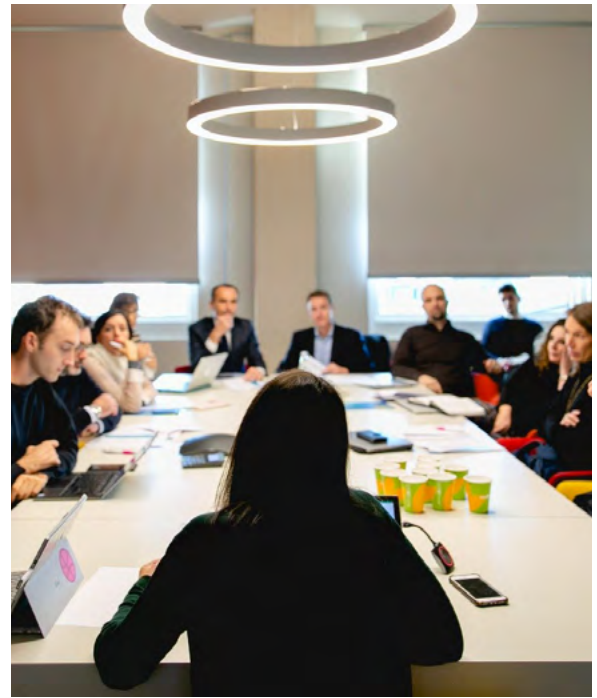
➔ Web Marketing Festival

➔ Mylennium Award



46

businesses assisted by the Evaluation Lab
in the development
of social impact generation models



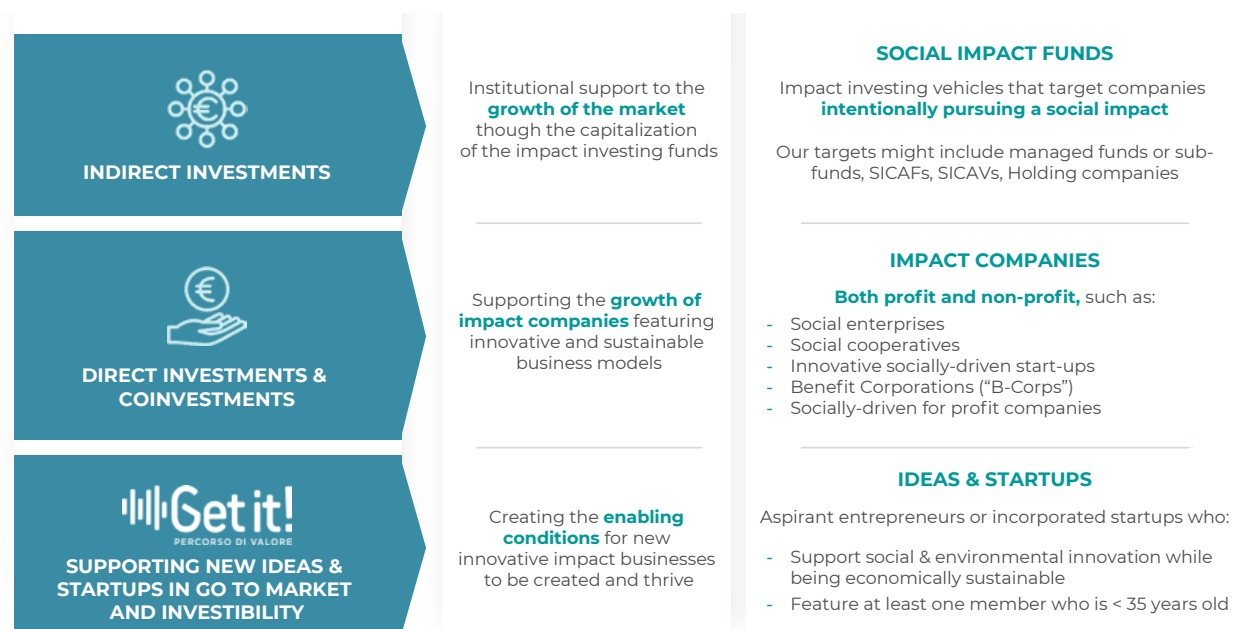
2.3 INVESTMENT ACTIVITY

Investment approach

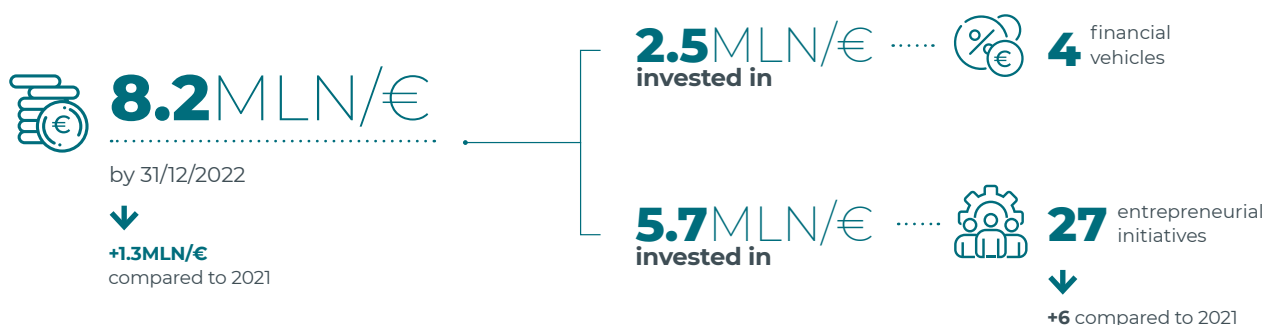
The Foundation has an institutional approach towards impact investing: its direct and indirect investment activity is aimed at supporting the growth of the sector, both by reinforcing the quality of the demand and by increasing the supply of patient capital. It supports the most promising entrepreneurial initiatives throughout all phases of their enterprise lifecycle. To maximize the effectiveness of its intervention, the Foundation operates with a "social venture capital" approach, acquiring minority shareholdings in funds, SMEs and start-ups which produce high social impact, and requiring limited financial returns over a medium-long timescale (see figure 2.2).

However, depending on the legal status, the phase of development and the features of an enterprise's business model, the Foundation also uses hybrid instruments or equity financial instruments. To select the most suitable initiatives for an investment, the Foundation adopts a broad and inclusive definition of social enterprise which includes non-profit organizations (eg Cooperatives and Social Enterprises), hybrid organizations (eg start-ups with a social vocation, Benefit Companies, B-Corp) and for-profit organizations (eg innovative start-ups or other joint stock companies), provided that they produce an impact.

figure 2.2



2.3.1 Portfolio



Portfolio: overview

/direct investments to 31/12/2022

INITIATIVE	LEGAL STATUS	INVESTMENT BY FSVGDA	SECTOR	SDGs	AREA
PerMicro	S.p.A.	€886.784	Financial inclusion	1, 4, 8, 9, 10	SOCIAL AREA (40.6%)
In-Domus	S.r.l.	€340.000	Student Housing	4, 11	
Vesti Solidale	Cooperativa Sociale	€300.000	Inclusive employment	8, 9, 10, 11, 12, 13	
Istituto De Filippi	S.r.l.	€243.750	Inclusive Training	4, 8	
Vivavoce	S.r.l.	€200.000	Treatment for Stuttering	3	
JoJolly	S.r.l., startup innovativa	€ 102.500	Combatting undeclared work	5, 8, 10	
BioMadre (Graniburger)	S.r.l. Soc. Benefit	€100.000	Inclusive employment	11, 12	
WiMonitor	S.r.l., startup innovativa	€72.500	Home-based monitoring and assistance	3	
Veinshow	S.r.l.	<€50.000	Efficient and painless blood sampling	3	
Beltmap	S.r.l., startup innovativa	<€50.000	Mobility for the visually impaired	3	
Casa dello Studente	Società Benefit	<€50.000	Learning support for school students	4	
Namasté (ZeroPerCento)	Cooperativa Sociale	<€50.000	Ethical food market	8, 10, 12	
OXA (BASE)	S.r.l. impresa sociale, startup innovativa a vocazione sociale	€700.000	Inclusive fusions between art and society	4, 8, 9, 11	CULTURAL AREA (44.9%)
Movieday Next	S.r.l., startup innovativa	€640.000	Impact innovation in cinemas	8	
Music Innovation Hub (MIH)	S.p.A. Impresa Sociale	€517.312	Inclusive innovation in music	4, 5, 8, 9, 17	
Kalatà	S.r.l. Impresa Sociale	€240.000	Enhancement of artistic heritage	8, 11, 12	
SharryLand	S.r.l. Società Benefit	€200.000	Digital innovation in cultural heritage	8, 11	
Artonauti	S.r.l. Società Benefit	€200.000	Dissemination of the figurative arts	4, 12	
Werea (AerariumChain)	S.r.l., startup innovativa	€70.000	Innovation and conservation of artworks	4, 6, 8, 9, 11	
Alchemilla	Cooperativa Sociale	€60.000	Digital innovation in art	4	
eArs	S.r.l.	<€50.000	More accessible art	4	
Bella Dentro	S.r.l.	€300.000	Fight against food waste	8, 12	ENVIRONMENTAL AREA (13.2%)
Agrorobotica	S.r.l., startup innovativa	€252.000	Precision and sustainable agriculture	2, 15	
Ecomill	S.r.l. PMI innovativa	€200.000	Crowdfunding for energy transition	7, 9, 11, 12, 13, 14	
Revo (Moove)	S.r.l., startup innovativa	<€50.000	Eco-sustainable cycling mobility	9, 11	
Kazaam Lab	Startup innovativa	<€50.000	AI and Big Data Analytics	3	SCIENTIFIC RESEARCH AREA (1.3%)
Plasma TechMED	Startup innovativa	<€50.000	Cold plasma technology	3	

/indirect investments to 31/12/2022

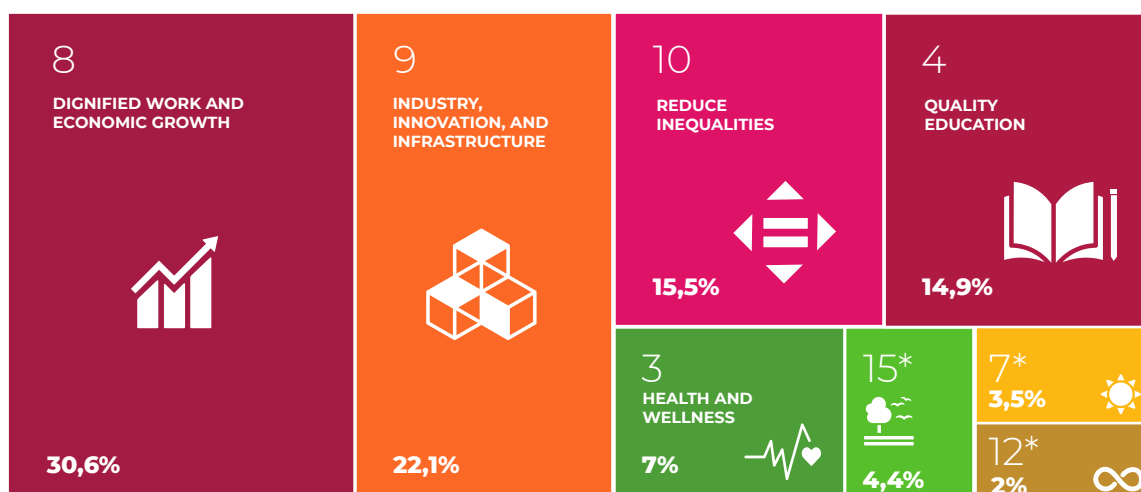
	LEGAL STATUS	INVESTMENT BY FSVGDA (1)	CAPITAL INVESTED (TO 31/12/2022)	INVESTMENTS IN PORTFOLIO	
Oltre Venture	SICAF EUVECA S.p.A	€1.000.000	€42.275.000	14	INDIRECT INVESTMENTS
SEFEA Impact	SGR - Gestore EUVECA	€500.000	€41.000.000	23	
OPES Italia	SICAF EUVECA S.p.A	€500.000	€35.479.908	3	
a impact	SICAF EUVECA S.p.A	€500.000	€19.088.000	18	

(1) Maximum investment (commitment)

SDGs Alignment

of FSVGDA's direct investments

figure 2.3



Note: The figure represents as a percentage the alignment of the Foundation's direct investments to the main sustainable development goals (SDGs), through the attribution of a prevalent SDG to each investee.

*SDGs: 15 (life on land), 7 (affordable and clean energy), 12 (responsible consumption and production).

Cumulative Summary Data

/Direct investments to 31/12/2022

The performance indicators resulting from the aggregation of several KPIs common to the Foundation's direct investments are shown below.



2.774.912

beneficiaries - individuals - of the activities promoted by the investee

↳ **+355.500** compared to 2021

of which →



13.111

attributable to "vulnerable groups"

↳ **+15** compared to 2021

8.206



entrepreneurial initiatives involved in the activities of the investee



+2.266 compared to 2021

557



operational alliances developed by investee companies with third sector



+61 compared to 2021

83



entrepreneurs engaged in investees



+20 compared to 2021

285



employees working for investees



+147 compared to 2021

EMPLOYEES WORKING FOR DIRECT INVESTMENTS

Value before FSVGDA investment

Value to 31/12/2022

238



total employees

285

94



of which women

142

66



of which belong to vulnerable groups

74



2.4 ADVISORY ACTIVITIES

Financial advisory

The Foundation's team has gained consolidated experience in the financial sector and has, over the last few years, gained significant expertise in the structuring of transactions that involve the Third Sector and, more generally, subjects operating in the social sector.

These skills enable the Foundation to structure complex financial transactions and "impact" business models through advisory activities for extraordinary finance transactions, for the definition of business plans and financing strategies, and for the identification of the best capital structure etc.

One example of an operation that has been structured by the Foundation's team is the "Support for the Third Sector" initiative promoted by Fondazione Cariplo, Intesa Sanpaolo, CSVnet Lombardia, Fondazione ONC, Cooperfidi Italia, Fondazione Peppino Vismara e Fondazione Social Venture Giordano Dell'Amore. This program enabled the offer of €30 mln of subsidised loans to Third Sector in the Lombardy region and part of Piedmont, through an innovative and articulated guarantee system operating on several levels, connected with a philanthropic fund to reimburse the costs of the guarantee and part of the interest.



Evaluation Lab

The Foundation also has a dedicated team of professionals with many years of experience both in strategic planning and the measurement and monitoring of the social impact generated by projects, institutions, or entities, and in the research and testing of the best impact assessment methodologies. The team has proven expertise in the use of counterfactual, statistical or experimental approaches, mainly adopting the Theory of Change to evaluate impact.

To promote the culture of evaluating the effects of interventions on the final recipients and to strengthen the evaluation skills of the Italian third sector and of all socially oriented organizations, the Evaluation Lab also offers its services to external foundations, institutions, third sector entities, impact investment funds, companies etc.

The services offered by Evaluation Lab can be divided into two main categories of activities:

→ Strategic planning

- Analysis, research and advisory to support the strategic planning of foundations, funds, and third sector entities in the conception and management of programs, investments, and projects.

→ Evaluation of programs, investments, and projects

- Reporting: to produce detailed information on activities and results;
- Monitoring: to produce know-how on implementation;
- Estimation of the effects: to develop and disseminate know-how on effectiveness.

Evaluation Lab's clients





3.

2022: EXPERIENCES AND PERSPECTIVE

2022 was a year of intense and stimulating activity, with the experimentation of several new tools and programs; we closed the second edition of Get it!, having financed, in 5 years, 102 empowerment and investment readiness programs aimed at developing as many impact start-ups. In terms of financial innovation - in synergy with a network of partner Foundations - we have allocated around 1MLN/€ to facilitate the provision of 170 "Income Share Agreements" (or "ISA"): a financial tool that allows several students - aged between 20 and 35 - to access to training courses in the Tech & Digital sectors. Furthermore, it is important to mention the success of the "Impact Grant", a hybrid financial instrument - designed and structured by Fondazione Social Venture Giordano Dell'Amore - that combines grant and equity, creating a «bridge» between philanthropic and investment resources, and that allows FSVGDA to transform a share of the capital increase into a grant, in case of achievement of pre-concordate social impact objectives. Through this financial tool we intend to encourage the achievement of the expected objectives and, at the same time, to strengthen the capital of the beneficiary, with clear advantages on its risk profile and its ability to access other forms of financing and attract new investors/lenders.

One of the main issues that arose during the year relates to the fragility of companies' assets. This is an increasingly critical factor in a sector that presents a structural financial weakness, with consequent difficulty in attracting other resources for growth, whether financial, technological or professional.

It is therefore necessary to attract new investors in the "impact" space.

To achieve this, we believe it is essential to:

- **strengthen the quality of demand**, by expanding entrepreneurial and management skills (financial, technological, commercial, administrative, managerial etc.), by developing joint capacity building and investment programs, and by adopting, whenever possible, a venture building approach in the creation of "impact" businesses;

- **reduce the level of investment risk**, by intervening, in this first phase of market development, with guarantee instruments that are able to absorb part of the risk, providing investors with sufficient comfort, in this regard, against a return that is often limited;
- **measure the impact**. Evidence of the impact generated is necessary to "qualify" the financial return, balancing the lower return alongside the reduced risk;
- **develop financial tools that are suitable for "impact" companies**, in terms of duration, flexibility and links with the size of the impact. To this end, it is important that greater integration be developed between the different types of instruments (equity, debt, grants, guarantee funds etc.) being offered by the various operators;
- **strengthen market infrastructures**: research centers, universities, incubators, accelerators, advisors, professional services etc.

In our vision, it is necessary to operate on all these fronts to preserve the transformative potential of impact investing as the most advanced and innovative frontier of "responsible" investments, so that it can drive the transition of traditional finance and entrepreneurship towards the "impact" model which is sustainable and long-term.



“



"The road to pave to allow a solid and long-term development of impact finance is a dual lane: it is necessary to combine investment programs with the offer of robust capacity building tools, while continuing to test new financial solutions."

*Marco Gerevini
Chief Executive Officer - Fondazione Social Venture Giordano Dell'Amore*



IMPACT. BY INVESTING.

Special Thanks

This document was produced thanks to the valuable and efficient collaboration between Fondazione Social Venture Giordano Dell'Amore and the initiatives in its portfolio, together with the contribution of Fondazione Cariplo, Cariplo Factory and Fondazione Housing Sociale

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Fondazione Social Venture Giordano Dell'Amore

For more information

Fondazione Social Venture Giordano Dell'Amore
Via Bernardino Zenale, 8
20123 Milano
T +39 02.36683000
www.fondazionesocialventuregda.it
info@fsvgda.it

Graphic and creative project

Edithink S.r.l.



Fondazione Social Venture Giordano Dell'Amore

Via Bernardino Zenale, 8
20123 Milano

www.fondazionesocialventuregda.it
info@fsvgda.it

Our social network

