



# SI² IN A NUTSHELL: VISION & MISSION

*Pioneering in Europe in social impact investing*

## VISION

- SI² Fund **bridges a public funding gap for social enterprises** that focus on **addressing societal issues with a business approach**
- SI² Fund (° 2012) was the first fund of its kind in Belgium

## MISSION

- SI² mission is to **generate significant social impact and a fair financial return** through **direct minority investments** with focus on Benelux

# SI<sup>2</sup> IN A NUTSHELL: STRATEGY

*SI<sup>2</sup> invests in the capital of commercially viable start-ups with high social impact potential*

## Investment scope

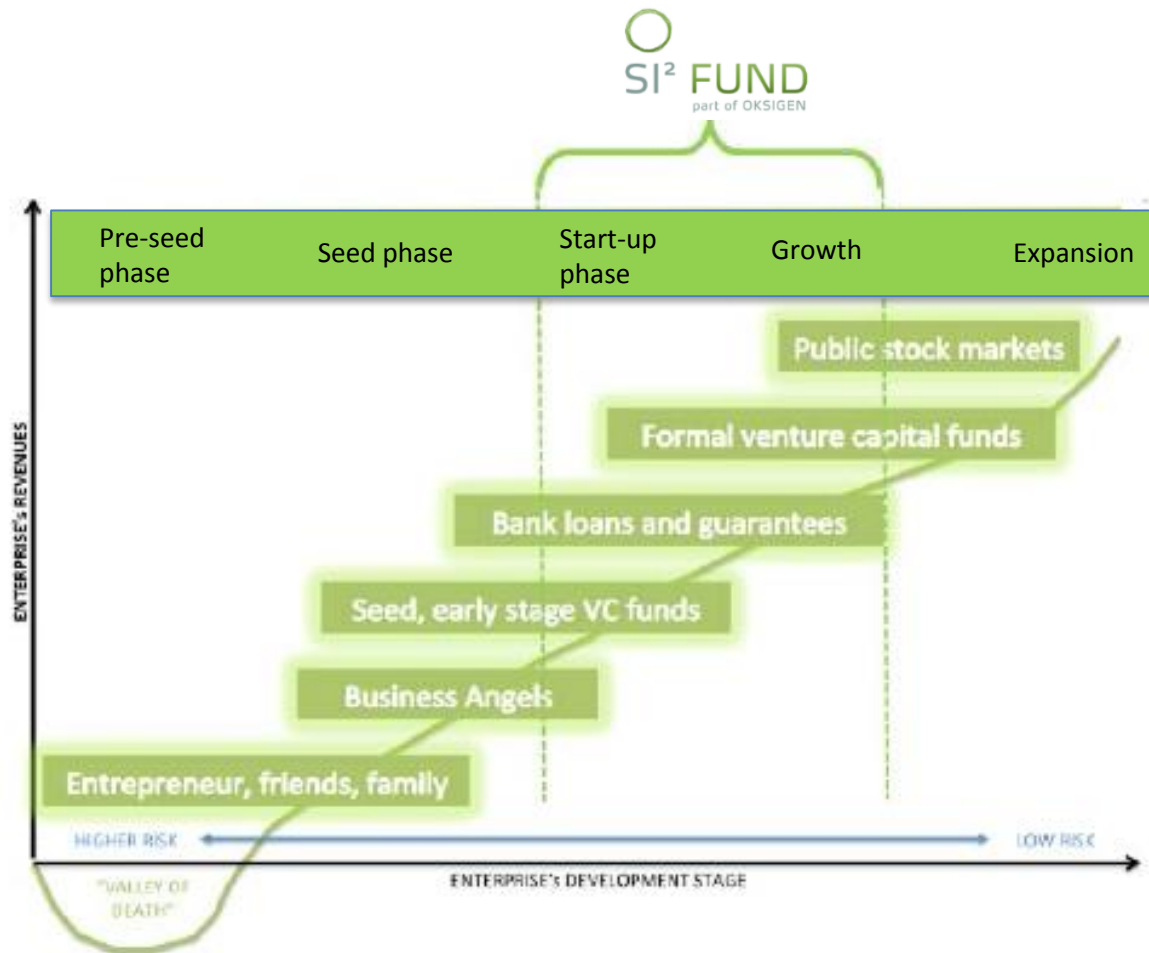
- Focus on Benelux (min 50%) and neighbouring countries incl. UK
- Min €250k – 1,500k per investee
- Early-stage non seed and growth
- Minority participations.
- Active board representation
- Co-investments
- Investment period 7-8 years

## Screening criteria

- Social mission first
- Measurable social impact KPIs
- Sector agnostic (excl. real estate)
- Viable business plan
- Strong Management
- Investment structure
- Exit potential

# SI<sup>2</sup> IN A NUTSHELL: STAGE

*Funding investment-ready social enterprises to accelerate their scale-up and impact: early-stage and growth stage*



# SI<sup>2</sup> IN A NUTSHELL: KEY TERMS

*Initial capital and investors base.*

- Legal structure: Belgian cvba / srl
- Fund size : Up to €25 M still open  
(2 private foundations & 19 HNWI's, no public funding)
- Investments size : €250k – 1,500k (over investment lifetime) per investee.
- Target portfolio : 15-25 investees, 2/3 new investee per year
- SROI: Societal value/financial Investment: min 2.0 SROI, for each  
€ invested, more than 2 € returned to society over 5 years
- Financial IRR: 3% at fund level, 8-10% at investee level over 8 years
- Exit horizon : 8 years
- Fund horizon: 10+2+2 years

# SI² IN A NUTSHELL: PORTFOLIO

*Selective screening of initial investments*



# SI<sup>2</sup> FUND: CHALLENGES

*Lessons learned till now*

Many issues & challenges...

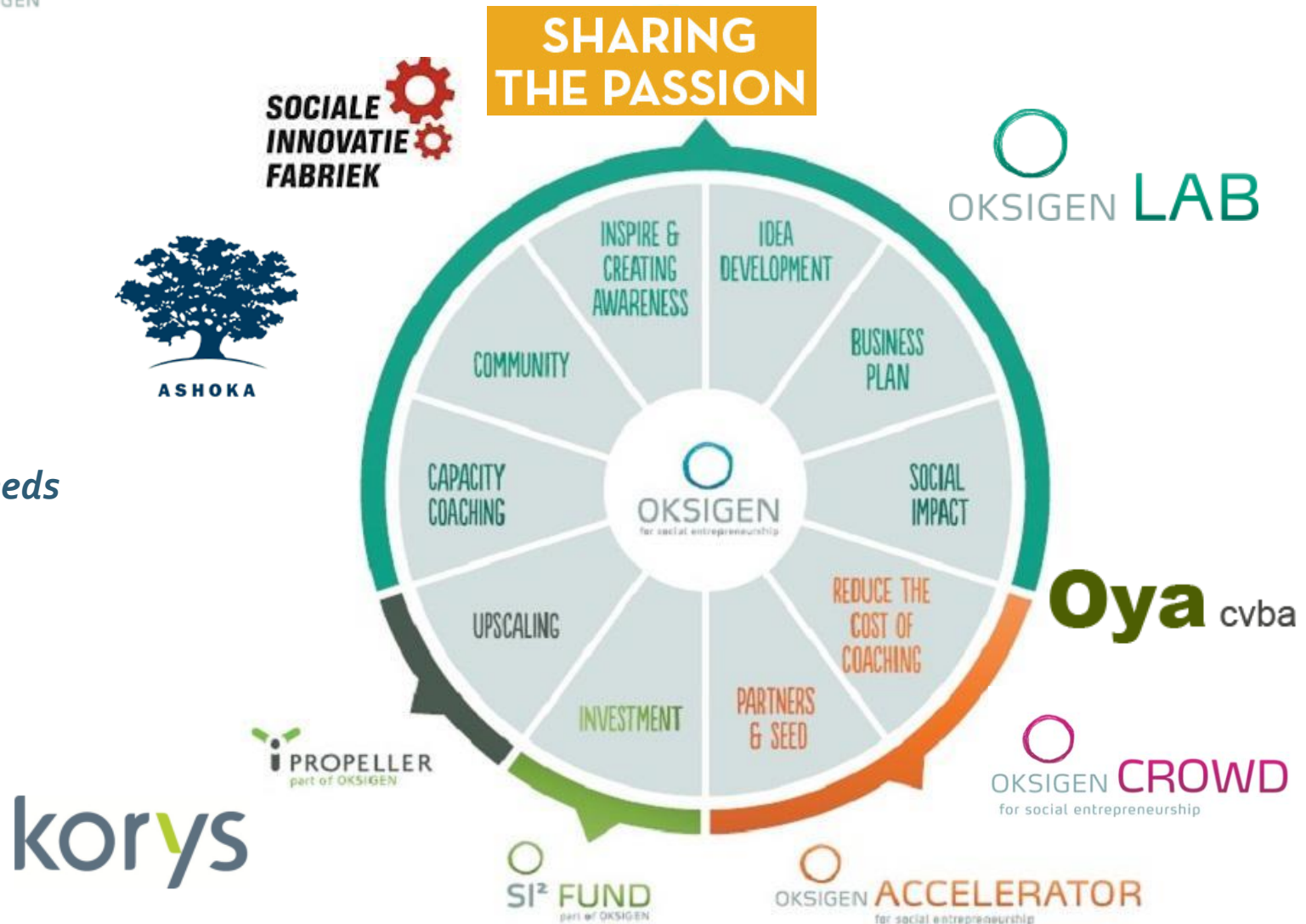
- Portfolio companies: Financial  
Management  
Market
- Team: Right people in a small team in 3 countries
- Shareholders: Alignment on social/financial balance  
Governance issues

... but still hopeful & positive !

# SI<sup>2</sup> FUND & OKSIGEN ECOSYSTEM

*Embedded in an ecosystem that supports social entrepreneurs*

*A social innovation ecosystem: answers to different needs of social enterprises*







# SI² FUND & OKSIGEN ECOSYSTEM

*An example: smart cities, mobility & last mile delivery*



**SMARTMAT**

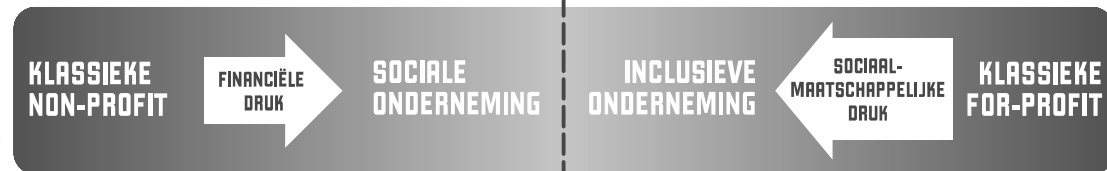


# THE WHOLE PICTURE: CO-CREATION

*Co-creation between social enterprises and inclusive business*



## SPECTRUM VAN ORGANISATIES

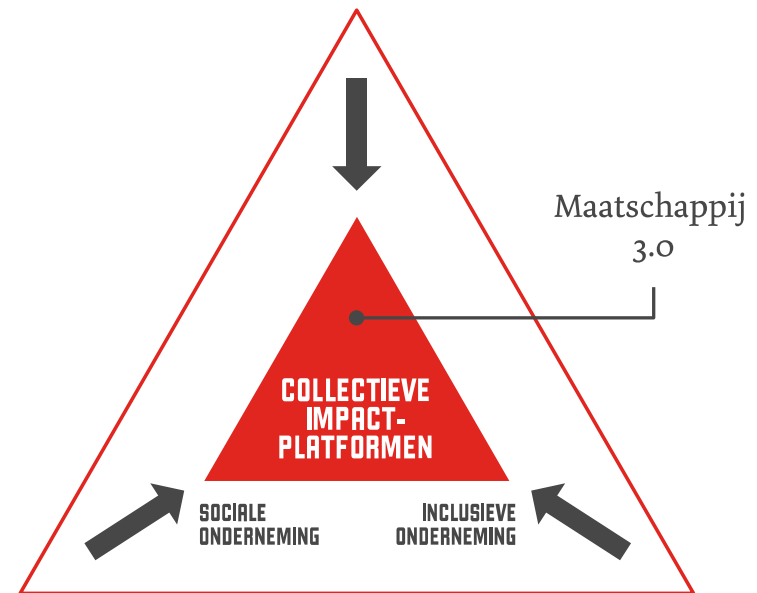
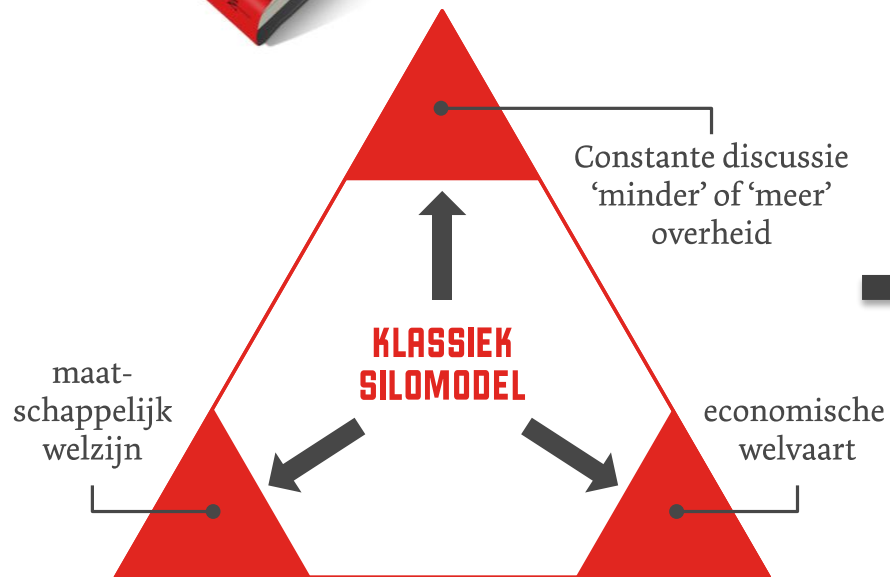


Maatschappelijke missie staat voorop

Winstmotief staat voorop

OVERHEID

OVERHEID



MAATSCHAPPELIJKE ORGANISATIES

BEDRIJFSWERELD

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BEDRIJFSWERELD

# THE SI<sup>2</sup> FUND EXPERIMENT

*What could government & legislation change / do ?*

What really could help social enterprises...

- A guarantee fund (since SE's take private risks & the benefit is for the common good)
- Promotion, outreach, publicity for "social enterprises" as a valid way between non-profit & commercial business-as-usual (ex. Sociale Innovatiefabriek)
- Structural funding for ecosystems, incubators, accelerators, Belgium could be an experimental garden for social innovation (SIB, BSC,...)
- Some simple additions in bylaws or formalities before launching a (social) enterprise

Where I don't believe in:

- A separate "label" with a committee of experts deciding "yes" or "no"



Thank you !  
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