



PHITRUST PARTENAIRES

2019 Activity and Impact Report

PHITRUST
Partenaires

PHITRUST
PARTENAIRES
2019 Activity and
Impact Report

PHITRUST
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Olivier de Guerre,
Chairman of Phitrust Partenaires



Guy Portmann,
Chairman of the Investment Committee

Impact and resilience

As this report goes to press, 4 billion people in France and countries worldwide are gradually emerging after weeks of lockdown. Difficult as it is to foresee the consequences of this unprecedented phenomenon, can you tell us how you responded to it as investors?

Guy Portmann: Resilience, long-term vision, hands-on support for entrepreneurs, convincing communications to our shareholders - these are the watchwords. This crisis is a huge *stress test* for impact investing. What impact are we talking about? What last resort arbitrage criteria should we apply? Which comes first - social impact or financial profit? For impact investors like ourselves, the crisis has only strengthened our convictions. More broadly, we all need to relearn how to live with long-term investment horizons.

Olivier de Guerre: Shareholders are going to have to rethink their responsibility, whether they invest in listed or unlisted companies and whether these are impact enterprises or not. Entire business sectors have come under pressure. I am not just talking about manufacturing

masks and other equipment for health practitioners, but about ensuring decent living conditions for everyone, a job - especially for young people - and essential commodities such as water, care and sustainable food, the digital divide (which has emerged with a vengeance) and, of course, care for the elderly. Not to mention social and environmental issues. On all of these counts, the companies we are fortunate enough to be able to support have shown proof of great resilience.

During this period we have chosen to stay by their side, support them and avoid making things more complicated than they already are.

We are going to have to work with them once things get back to normal. We also need to increase our financing capacity for companies that want to deploy their impact with us and meet these challenges so harshly thrown up.

To provide feedback on this situation that is still overwhelming at present (14 May 2020), we decided to publish this activity report on the 2019 financial year for our shareholders and include a supplement focusing on the first few months of 2020.

Many investors got hold of the notion of impact investing even before the crisis, and all the more so after its outbreak. What position has Phitrust adopted in this context?

G. P.: Phitrust has been one of the pioneers in this area. The relevance and uniqueness of our approach can be summed up in a single term: "patient capital". Social impact investing requires time to consolidate business models and returns in line with the expected social impact. We have remained rigorous and consistent in our strategy of reconciling philanthropy with reasonable and consistent economic profitability.

O. de G.: When we founded Phitrust in 2003, the term *impact investing* did not exist. Our philosophy, which is unorthodox in the financial markets, was greeted with caution. We discovered as we went along that what we were doing was *impact investing*. Rather than the term, what is and always has been important for us is to make the impact ambition the focal point of the entrepreneurial project and our investment strategy.

What is special about Phitrust's position?

O. de G.: Determination, long timeframes and impact measurement are tools that are both strategic and operational. Nowadays, many companies claim to be making an impact, because they create jobs. Although this is true to some extent, it's not enough. According to the EVPA (European Venture Philanthropy Association), these companies have

adopted a "*with impact*" strategy. However, we prioritise "*for impact*" projects that make social or environmental impact the focal point of their corporate strategy. And here lies one of our peculiarities: we invest to act, for impact. Economic profitability is above all a guarantee of sustainability..

G. P.: Good governance among these companies, which often have atypical business models, is another key area of support. Phitrust aims to support companies in this complex field that is a core feature of the social and economic performance of our portfolio.

At a time when countless companies are revising their corporate mission or questioning their impact in light of the recent PACTE law, how are the companies supported by Phitrust keeping up with the times?

G. P.: The PACTE law opens up a new space by allowing companies to define their own mission. This preserves entrepreneurial freedom by letting each company define its purpose while ensuring the credibility of the commitment to a project of collective interest thanks to appropriate governance and control mechanisms. We can only pat ourselves on the back when we see the ecosystem in which we operate expanding and set to become the norm in a virtuous economic system.

O. de G.: The companies and entrepreneurs we support make social and environmental aspects a focal point of their creation, development and growth. Companies with a mission are more

deeply involved in an endeavour to bestow a mission on an existing project. As for Phitrust, we are "mission native"! And a member of the community of companies with a mission.

In 2019 Phitrust made 10 investments or reinvestments and continues to work closely with entrepreneurs. How can you continue to support these companies and individuals? What challenges are involved?

G. P.: The companies in our portfolio mature and, by developing, become interesting target acquisitions for other companies operating in the same sector. We must work with them on these deals. How do you maintain the impact ambition during these deals or during a change in management? How do you organise a company's operation without the original founder? These are some of the questions we seek to answer by supporting the companies in our portfolio.

O. de G.: Our support methodology has proved its merits. The challenge facing us now is to examine our capacity to support our portfolio companies during large-scale transformations (acquisitions, scale-up, etc.). And above all, since March, it is to give them the maximum support to help them pull through the current health and economic crisis and its consequences.

During 15 years of activity, Phitrust has established itself in France as the pioneer of impact investing following the launch of Phitrust Partenaires, the first ever social impact fund financed by private investors, in 2006, joined by Phitrust Partenaires Europe in 2016.

Today, Phitrust is more pioneering than ever before, running two activities geared to a single mission: shareholder engagement for impact! We support entrepreneurs whose ambition to transform society is a focal point of their business venture, by giving them the financial and human resources to grow their business. But we also support large-cap listed companies to help them improve their environmental, social and governance (ESG) practices. At a time when companies are being questioned on their reason for existence and role in and for society, we are doubly engaged as an investor for the coming years!

Phitrust Partenaires invests and supports entrepreneurs and their teams who pursue a two-fold objective - social and financial - and promote an inclusion vision of society. To achieve this goal, we have built up a team of mentors consisting of current and former company directors, sector and field experts to support these entrepreneurs over a long period, helping them to build their company and run a sustainable venture.

Our DNA

Investing for impact

Since its inception, Phitrust has invested nearly €17 million in 36 social enterprises (equity or bonds).

As a "patient capital" venture fund, we give entrepreneurs the time they need to build and develop their impact. We also devise innovative forms of financing in keeping with our mission, such as the scheme created for NAMé Recycling (p.28).

Long-term support

We see our investments as being bona fide partnerships.

Over the years we have built up an impressive network of current and former company directors, investors and partners committed to investment in equity, governance and project monitoring. Each entrepreneur in the portfolio receives guidance from a member of this network. This person makes a long-term commitment to stand by the entrepreneur and their team, building a relationship of trust.

Decision-making geared towards impact

Over 15 years of activity, Phitrust has established itself in France as the pioneer of private investing for impact. Criteria for measuring social and environmental impact are defined in consultation with the entrepreneurs in our portfolio and are periodically analysed and reported. While it is used for reporting purposes, impact measurement is designed to act as a tool of strategic and operational guidance for our entrepreneurs and as an arbitrage decision-making tool for our shareholders.

Key dates

2003

CREATION OF PHITRUST

2005

CREATION OF THE PHITRUST FOUNDATION HOSTED BY THE INSTITUT DE FRANCE, TRANSFORMED INTO AN ENDOWMENT FUND IN 2009

2006

CREATION OF THE INVESTMENT COMPANY PHITRUST PARTENAIRES

2012

OBTAINS "ENTREPRISE SOLIDAIRE", SOCIAL COMPANY STATUS WITH + 35% INVESTED IN SOCIAL COMPANIES

2014

PHITRUST PARTENAIRES BECOMES THE FIRST FRENCH ASSET MANAGER TO OBTAIN THE EUSEF LABEL (EUROPEAN SOCIAL ENTREPRENEURSHIP FUND)

2016

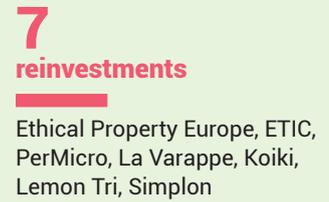
CREATION OF THE INVESTMENT COMPANY PHITRUST PARTENAIRES EUROPE

2019

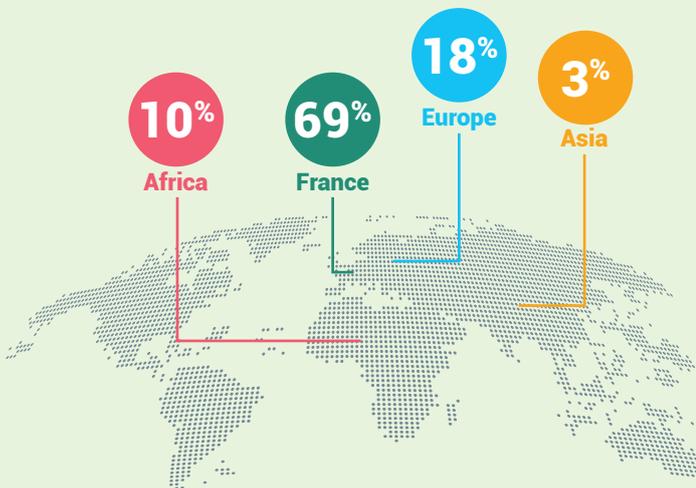
PHITRUST PARTENAIRES JOINS THE "FRENCH IMPACT" COMMUNITY

2019 IN FIGURES

▼ Investment in social enterprises in 2019



▼ Geographical breakdown of portfolio (Phitrust Partenaires and Phitrust Partenaires Europe)



▼ Breakdown by type of social impact



INTERNATIONAL COVERAGE

Investments – direct or via dedicated funds – in Europe, Africa and Asia. Phitrust currently provides direct support to 28 social enterprises operating in around 30 countries on three continents.

▼ 2019 social impact indicators (Phitrust Partenaires and Phitrust Partenaires Europe)



INVESTING AND REINVESTING TO SUPPORT LONG-TERM GROWTH

2019 was an eventful year, first and foremost in terms of increased cooperation with social entrepreneurs: 10 investments and reinvestments totalling over €3 million.

Phitrust Partenaires

February	▶ Reinvestment of €50,000 in equity and €50,000 in convertible bonds in Ethical Property Europe for a share of capital of 10.20% (p.21)
March	▶ Reinvestment of €126,000 in equity in ETIC for a share of capital of 8.37% (p.22)
November	▶ Investment of €150,000 in equity and €100,000 in debt in Namé Recycling for a share of capital of 5.67% (p.28)
December	▶ Reinvestment of €75,000 in equity in PerMicro for a share of capital of 4.54% (p.26)

Phitrust Partenaires Europe

March	▶ Reinvestment of €450,000 in equity and €600,000 in convertible bonds in Simplon for a share of capital of 10.64% (p.21)
March/April	▶ Reinvestment of €150,000 in equity in Koik for a share of capital of 13.53% (p.35)
June	▶ Reinvestment of €250,000 in convertible bonds in Lemon Tri (p.40) ▶ Investment of €400,000 in Envie Rhône Alpes for a share of capital of 19.55% (p.39)
December	▶ Investment of €1 million in equity in La Varappe for a share of capital of 6.49% (p.24) ▶ Investment of €700,000 in equity in Les Alchimistes for a share of capital of 9.94% (p.41)

Solutions tailored to each stage of growth

From start-up to spin-off, Phitrust places its expertise and solutions at the service of social entrepreneurship:

■ The investment companies:

Investment in equity or bonds that must at least comply with the following ratios:

- Phitrust Partenaires: 1/3 ESUS-labelled French companies – 2/3 social enterprises as defined by European legislation.
- Phitrust Partenaires Europe: 70% social enterprises as defined by European legislation – 60% of portfolio based in France.

■ Phitrust Endowment Fund – working for inclusion:

Endowment and support in line with the principles of *venture philanthropy* for structural strengthening of non-profit organisations and social economy companies committed to issues of inclusion and reintegration.

ENGAGEMENT TO EXPAND THE SOCIAL ENTREPRENEURSHIP ECOSYSTEM

Besides its core business, Phitrust is a proactive organiser and member of events and organization related to its sector.



* EVPA is a community of organisations interested in or practising venture philanthropy and social investment across Europe.

INVESTORS ENGAGED IN GOVERNANCE



Investors, two investment companies and an endowment fund dedicated to supporting projects with a strong social impact

DECISION-MAKING BODIES



The Chairman oversees the company's management and executes investment decisions taken by the Investment Committee.

The Supervisory Board elects the company's Chairman, approves company strategy, guarantees the investment philosophy, monitors compliance with rules and practices and oversees and controls the company's management.

The Investment Committee makes investment and divestment decisions, monitors and supports portfolio transactions and establishes investment guidelines.

INVESTMENT VEHICLES



PHITRUST
Partenaires

PHITRUST
Partenaires Europe

Phitrust Partenaires and Phitrust Partenaires Europe: Two variable capital simplified joint stock companies that invest and support the development of social enterprises.

THE SHAREHOLDERS



Class A shares held by the Phitrust Endowment Fund: Right to veto amendments to the articles of association to preserve the mission.

Class B shares: Elects the Supervisory Board, confirms Investment Committee appointments, confirms financial statements and investment strategy.

Phitrust Partenaires and Phitrust Partenaires Europe governing bodies and members

SUPERVISORY BOARD

CHAIRMAN

Olivier de Guerre
Founder of Phitrust

PHITRUST PARTENAIRE

Xavier de Bayser
Former Head of IDEAM AMUNDI

Michel Bon
Board member of companies, non-profits and foundations

Olivier Kayser
Chairman of Hystra

Bruno Keller
Former CEO of Eurazeo

Raphaële Leroy
Representative of BNP Paribas SA

Cyrille Marcilhacy
Independent director

François d'Ormesson
Board member of Phitrust

Adrien Pannetier
Representative of the Caisse des Dépôts

PHITRUST PARTENAIRE

EUROPE

Philippe Bernard-Treille
Representative of the European Investment Fund

Axelle Davezac
Representative of the Fondation de France

Cédric Djoukam
Representative of ERAFP (Etablissement de Retraite Additionnelle de la Fonction Publique)

INVESTMENT COMMITTEE

CHAIRMAN

Guy Portmann
Director of France Terre Pierreval

PHITRUST PARTENAIRE

AND PHITRUST PARTENAIRE

EUROPE

Hervé Baulme
Founder and former CEO of Summit Systems USA

Pierre Darrot
Director of various companies

Xavier Daudin
Finance director

Philippe Debry
Partner at Fidal Paris law firm

Gilbert Delagrangue
Retired doctor

Louis Desanges
Former partner of La Financière de Courcelles

Alain Goyé
Board member of social enterprises

Olivier Hérard Dubreuil
Chairman of HDO Conseil

Martine Roussel Adam
Founder and former CEO of Synerfil and Businessfil

France de Sadeleer
Director of various companies

Emmanuel Schom
Financial services

Xavier Van Poucke
Financial services, agricultural entrepreneur

Adrien de Crombrughe
Representative of Caisse des Dépôts

ONLY INVOLVED IN PHITRUST PARTENAIRE EUROPE

Corrado Ferretti
Former chairman of PerMicro and Board member of social enterprises in Italy

Marie-Stéphane Maradeix
Representative of Fondation de France and Fondation Daniel et Nina Carasso

All Investment Committee members are shareholders.

The Endowment Fund

The Phitrust Endowment Fund helps non-profit organisations to structure, grow and it guarantees Phitrust Partenaires mission.

BOARD OF DIRECTORS

CHAIRMAN

Jean-Louis de Montesquiou
Former banker and microfinance consultant

BOARD MEMBERS

Patrick Bertrand
Founder of Passerelles et Compétences

Jean-Marie Destrée
General Delegate of Fondation Caritas France

Sophie Faujour
Head of France & European Corporate, EVPA (European Venture Philanthropy Association)

Olivier de Guerre
Phitrust

GENERAL DELEGATE

Stéphanie de Beaumont
Phitrust

PHITRUST

Fonds de dotation

OUR EXPERTISE: PATIENT CAPITAL AND LONG-TERM SUPPORT

To maximise the impact of its portfolio companies, Phitrust has spent years developing a methodology of recognised efficiency for supporting entrepreneurs and their teams.

Target and identify

Leveraging our pioneer status and extensive networks, every year our team identifies and qualifies a large number of entrepreneurial projects. This identification phase is followed by a pre-selection phase involving interviews with entrepreneurs.

Davina MacPhail, Investment Manager at Phitrust

Whether it takes place via our own in-house identification procedure or via investment opportunities channelled by the network, one consistent feature is the fact that solicitation is based on shared values: benevolence and the primacy of social impact in the business venture. The team's next task is to identify entrepreneurs the Investment Committee will commit to supporting, analyse their business plan and guide them through the lengthy fundraising process. ||

Analyse and select

Using methods gleaned from conventional growth capital, Phitrust identifies requirements and assesses the feasibility of the project. This strategic analysis and audit phase is followed by a phase of selection by the Investment Committee, which finishes by approving the investment decision.

Danaé Becht, Impact Analyst at Phitrust

Like everything at Phitrust, the job of analysing investment opportunities is focused on impact. From the very first contact, this is a key issue in our discussions with entrepreneurs aimed at collecting existing data and fully integrating social performance into our analysis. Here at Phitrust, social impact is a determining factor in the decision to invest or not. ||

Monitor and support

The other key component of our methodology involves supporting entrepreneurs by taking part in the governance of their project and setting up duos consisting of an entrepreneur and a mentor, who may be a current or former company director. We provide long-term support: whether we are talking about social, environmental or financial performance, right from the outset we establish ourselves as a partner providing oversight and guidance over a long period. Accordingly, the support process is underpinned by regular reporting on financial results and social and environmental impacts.

Guy Portmann, Chairman of the Investment Committee Phitrust Partenaires and Phitrust Partenaires Europe

The companies we work with often spring from non-profit models and may lack experience of the market economy with its financial challenges, shareholders, customers and so on. Well aware of the key importance of good governance, Phitrust helps these companies structure and develop their entrepreneurial projects. ||

THE ONLY FRENCH COMPANY TO OBTAIN THE EUSEF LABEL

In 2014 Phitrust Partenaires obtained the European Social Entrepreneurship Fund label issued in France by the French Financial Markets Authority (AMF). Phitrust Partenaires Europe also obtained the label in 2016. The label is awarded to funds whose portfolio is at least 70% invested in social enterprises as defined by the European legislation.



ESUS CERTIFICATION

Phitrust Partenaires has been certified as an "inclusive" company since 2014. In 2019, the award of the ESUS (inclusive company of social utility) certification for a five-year period allowed the fund to seek finance from inclusive employee savings scheme investors.

MONITORING AND MEASURING IMPACT - A STRATEGIC MANAGEMENT TOOL



Phitrust has adopted a clear and original stance: making social and environmental impact a focal point of its investment decisions.

As such, we develop cutting-edge expertise in positive impact which we harness at every stage of the investment process. Impact analyst Danaé Becht explained:

“ From the very outset of our work with entrepreneurs, we discuss how they conceive, model and monitor their impact. The due diligence phase is an opportunity to share with them about the social mission and review the impact data they provide. This data and its compatibility with our investment strategy are key factors in the decision-making process. In fact, this initial work has a strong influence on the decision to invest or not. ”

When this initial work proves conclusive and we decide to back the venture, we build a customised impact monitoring tool in consultation with the entrepreneurs:

“ We determine at least ten key indicators, both quantitative and qualitative, associated with ambitious but achievable targets covering different aspects of the impact. Typical indicators for the social aspect include the number of people on reintegration programmes and the rate of positive outcomes (entering employment or training) in the case of a work reintegration social enterprise (EI). For the environmental aspect, we can track the tonnage of waste collected and recycled and tons of CO₂ emissions avoided in the case of a company operating in the circular economy. Last but not least, good governance criteria are also drawn up.

All of these indicators are integrated into scoreboards and used to track the company's performance alongside financial indicators. Naturally, these indicators are useful for reporting purposes, but what seems essential to us is the fact that the entrepreneur integrates this scoreboard as a strategic and operational tool for maximising its social impact. ”

Impact is therefore a focal point, not only of the investment relationship, but also of the support provided to companies as conceived by Phitrust. But that's not all:

“ When we invest in a venture, we include a divestment clause in the shareholder agreement solely related to impact: if the company discontinues its social mission or changes mission, Phitrust will be able to divest its equity stake, as impact is the primary reason for our investment. We seek to relate our investment to impact in the case of each company we support. In 2019, as part of the financing arrangements for Namé, a Belgian-Cameroon company, we created a financial product as yet little used in the world of impact investing: convertible bonds where the coupon rate directly depends on the achievement of social and environmental targets - the stronger the social and environmental impact, the lower the rate. ”

Sustainable Development Goals (SDGs) covered by our investments in order of importance in the portfolio



AN EXPERIENCED INVESTMENT TEAM SURROUNDED BY COMMITTED INVESTORS



Olivier de Guerre
Chairman of
Phitrust Partenaires

After years of experience in asset management (Banque Indosuez, co-founder of GT Finance/ Cristal Finance, Crédit Suisse AM), convinced that investors have a decisive role to play in inducing companies to adopt sustainable and positive business models, Olivier founded Phitrust in 2003. For over 15 years, he has been supporting social entrepreneurs in order to drive their scale-up and spin-off strategies. Olivier is a Board member of Admical and Finansol.



Guy Portmann
Chairman
of the Investment
Committee

After founding France Terre, a real estate development company which he went on to manage for over 35 years, Guy was appointed Chairman of the Phitrust Partenaires Investment Committee in 2016. Since then he has harnessed his expertise as a committed shareholder with Phitrust Partenaires and Phitrust Partenaire Europe. He is also a Board member and mentor of portfolio companies ETIC, Foncière Chênelet and Les Alchimistes.



Xavier Thauron
Managing Director
for Investments

An expert in SME financing with the BPCE group, he notably developed a venture philanthropy strategy in this position. Having acted as adviser for Natixis Private Equity's investment in Phitrust Partenaires in 2008, he joined its Investment Committee in this capacity. In 2015 he was appointed Managing Director for Investments at Phitrust Partenaires in charge of annual portfolio valuation and risk monitoring. He is a Board member of several portfolio companies. Xavier is also a Board member of the EVPA.



Davina MacPhail
Investment Manager

Since 2016, Davina has joined Phitrust with her extensive experience in finance and social entrepreneurship: she worked on impact assessment projects with MIT in India and with ADIE in France, and spent 4 years in corporate banking before helping to found a social enterprise in Cambodia. At Phitrust Partenaires she is responsible for drafting investment proposals, monitoring the portfolio and overseeing investor relations.

Danaé Becht
Analyst

Danaé graduated from Bocconi University, Milan and took part in ESSEC business school's Innovation and Social Entrepreneurship Chair. At Phitrust Partenaires, she is responsible for measuring social impact. She is also in charge of developing European networks and reviewing new projects for the endowment fund.



Stéphanie de Beaumont
Head of Marketing and Communications

With 25 years of experience in investor relations, financial communications and philanthropy (Essilor, Edmond de Rothschild, Prophil and Apprentis d'Auteuil), Stéphanie joined Phitrust in 2019 as Head of Marketing and Communications (shareholder engagement and social entrepreneurship). She is also general delegate of the Phitrust Endowment Fund.



Xavier Declève
Belgium Director

Phitrust's Representative in Belgium, Xavier has spent most of his career in the banking sector. He is currently responsible for relations with Belgian investors and for identifying investment opportunities in the country.



Henri de Reboul
Asia Director

Business consultant, entrepreneur and founder of development programmes in Vietnam, Henri has also been a member of Phitrust's Investment Committee. He moved to Bangkok in 2013, and has since developed Phitrust Partenaires Asia, the company's social investment vehicle in South-East Asia.

Victoria Richel and Anaïs Dulong
Project managers

In 2019, Phitrust's teams were assisted by Victoria and Anaïs, both members of the On Purpose France Associate Programme. Supported by the Phitrust Endowment Fund, the programme helps young executives wishing to switch career in order to contribute to the social and inclusive economy.



The investors who support us

Phitrust offers its investors opportunities to act and contribute to the growth of portfolio companies. Besides their financial investment, they can choose to sit on the investment committees, support the companies' development and jointly invest directly in a portfolio company.



PHITRUST PARTENAIRES PORTFOLIO

VARIABLE CAPITAL SIMPLIFIED JOINT STOCK COMPANY – VENTURE CAPITAL COMPANY – EUROPEAN SOCIAL ENTREPRENEURSHIP FUND. FRENCH GOVERNMENT “AGRÉMENT SOLIDAIRE” INCLUSIVE COMPANY STATUS SINCE 2014. ESUS COMPANY SINCE 2019.

PHITRUST PARTENAIRES PORTFOLIO OVERVIEW

31/12/2019



Sustainable food



Circular economy



Impact project funding



Training and professional reintegration



Social and sustainable housing



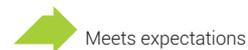
Inclusion and disability



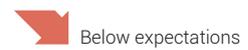
Financial inclusion



Above expectations



Meets expectations



Below expectations

Company	Aim	Region	Stake	Equity (€000)	Loan (€000)	Total invested (€000)	Rev.	P/L	Impact	Main impact indicators	Page
La Laiterie du Berger	Cooperative of milk producers	Senegal	9.2%	569	41	610				1,171 tons of fresh milk collected	18
Swiss Fresh Water	Production and distribution of drinking water through water kiosks	Global	0%	0	500	500				95,041 litres average daily water production	19
Foncière Chênelet	Construction of HEQ social housing with a socially inclusive workforce	France	0.86%	150	0	150				399 people relocated	20
Ethical Property Europe	Ecological business centres for non-profits	Europe	10.2%	757	227	984				179 non-profit and NGO tenants	21
ETIC	Ecological business centres for non-profits	France	8.37%	629	0	629				156 non-profit and NGO tenants	22
Ecodair	Inclusion of mentally disabled persons in the workforce by reconditioning IT equipment	France	33.59%	65	500	565				Disabled persons employed	23
La Varappe	Social reintegration through work	France	16.68%	500	400	900				622 full-time reintegration jobs	24
Main Forte	Work reintegration in the regional road transport sector	France	16.83%	200	0	200				84 full-time reintegration jobs	25
PerMicro	Microfinance for legal immigrants in Italy	Italy	4.54%	659	0	659				344 jobs created through microloans	26
TagPay	Mobile payment technology for persons deprived of banking services	Global	1.8%	161	0	161				1,013,918 active users	27
Namé Recycling	Collection, recycling and sale of plastic products	Belgium and Cameroon	5.67%	150	100	250				1,281 tons of plastic recycled	28
Phitrust Asia	Social investment fund	Asia	59.6%	200	209	409				6 social enterprises supported	29
CoopMed	Fund investing in microfinance institutions	Mediterranean	2.3%	100	0	100				21,454 jobs created or preserved	30
Microfinance Solidaire	Support for microentrepreneurs in developing countries	Global	8.3%	280	0	280				251,071 end beneficiaries	30
AMSI	Investment fund for developing social microfranchises	France	24%	125	0	125				303 microentrepreneurs supported	31
Schneider Electric Energy Access	Investment fund promoting energy access for the poor	Global	5.41%	200	0	200				170 FTE employees on reintegration programmes in portfolio companies	31
Investisseurs et Partenaires Afrique Entrepreneurs	Investment fund supporting early stages of SME development	Africa	0.4%	184	0	184				29 companies financed	32
Investisseurs et Partenaires Développement	Fund investing in microenterprises	Africa	1.6%	305	0	305				28 companies financed	32
Phitrust Partenaires Europe	Social investment company in Europe	Europe	28.67%	2,509	0	2,509				8 social enterprises supported	34
ISF Solidaire	Investment fund	France	3.63%	30	867	897				3 social enterprises supported	43
TOTAL				7,773	2,844	10,617					

LA LAITERIE DU BERGER



La Laiterie du Berger (LDB) aims to:

- Build a strong dairy industry in Senegal, thereby helping to reduce rural and urban poverty by creating jobs.
- Supply the local market (Dolima brand) and improve health by providing sustenance to as many people as possible.



Laiterie du Berger distribution circuit.

Our investment
€610,000
 €569,000 in equity and
 €41,000 in debt

Stake
9.2%

Initial investment
March 2010

WORD FROM THE ENTREPRENEUR

"Over the past two years LDB has scaled up, confirmed its business model and revised its social charter. In this respect, Phitrust has been a valued partner, not only by advising us on the methodological approach for analysing and monitoring our impact, but also by giving us the opportunity to take part in events and speak to other social entrepreneurs. At these events, the opportunity of reviewing case studies tracking the progress of social enterprises over more than a decade has been of inestimable value in helping us to fine-tune our models."

Bagoré BATHILY,
 Founder and CEO

2019 HIGHLIGHTS

In 2019, La Laiterie du Berger recorded a sharp increase in collection volumes and increased its production capacities, leading to performance exceeding the budget. During several months of the year, sales volumes exceeded 700 tons, breaking previous records. Collection was reorganised: a number of dairy farmers settled in mini-farms in order to increase production. Due to the second mini-farm launch phase (25 in 2019 versus 16 in 2018) and the cancellation of VAT on pasteurised milk, the purchase price paid to farmers was increased by 40%.

OUTLOOK

Having reached new heights in business activity in 2019, combined with the launch of the fresh milk offer, the company now aims to tackle the question of additional costs following the launch of a new product. While the Covid-19 pandemic could impact the production chain and imports of machinery from China, it could also have a positive impact on demand as consumers turn towards local produce, given that the essential commodities market has not been impacted. Furthermore, excellent organisation in the face of the crisis has made the company more resilient than its competitors in Senegal.

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

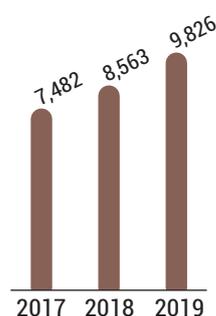
581
 suppliers
 459 in 2017

344
 jobs created
 237 in 2017

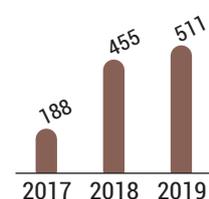
1,171
 tons of milk collected
 470 in 2017

▼ Financial performance

Revenues (€000)



Profit/loss (€000)





Swiss Fresh Water aims to provide low-income population groups with access to good quality drinking water. The company develops low-cost decentralised water treatment systems powered by solar power or the grid.



Water kiosk in Senegal with SFW machine.

Our investment
€500,000
in convertible bonds

Initial investment
January 2016

2019 HIGHLIGHTS

The financial position was still unstable in 2019 despite a new fundraising among longstanding shareholders of the company in the first quarter. Nevertheless, the governance crisis has been resolved. A new CEO appointed in July 2019 has presented a suitable and feasible development plan which should allow the company to become profitable. The team has reorganised the distribution structure in Senegal and has identified new development prospects that should allow the company to resume growth.

OUTLOOK

A new management team has been set up and a new development plan is currently being rolled out. The aim is first to make existing water kiosks profitable before opening new ones and installing new machines. While the company has sufficient cash reserves to cope with the Covid-19 crisis, changes in the health situation could impact business. Further fundraising may be organised towards the end of the year.

WORD FROM THE ENTREPRENEUR

"Impact has also been a focal point of the Swiss Fresh Water business venture. Originally designed for rural areas to help the prevention of waterborne diseases (brackish and fluoridated water in particular), the model has changed and now focuses on environmental impact (reducing CO₂ emissions and plastic consumption) while continuing to create jobs and promote social responsibility. The adoption of the model by our subsidiary in Senegal (commercial, financial and impact) will offer positive opportunities for deployment on new markets in which we have already launched a number of pilot projects."

Thomas GAJAN,
CEO since July 2019

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

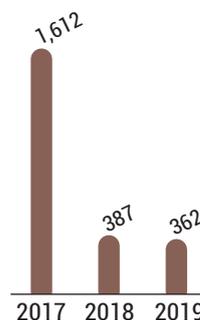
154
kiosks in operation
55 in 2015

417
jobs directly created or stimulated
327 in 2018

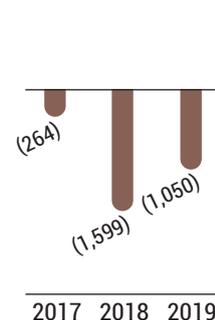
95,041
litres average daily production during the year
58,397 litres in 2015

▼ Financial performance

Revenues (€000)



Profit/loss (€000)





Foncière Chênelet aims to tackle the major social issue of housing for low-income families by offering premium quality eco-friendly housing.



HEQ (high environmental quality) housing in Nazelles-Négron (Indre-et-Loire).

Our investment
€150,000
in equity

Stake
0.86%

Initial investment
March 2011

2019 HIGHLIGHTS

In 2019, Foncière Chênelet delivered 4 residential buildings while 25 are currently under construction. The company carried out a €2 million capital increase and financial results are in line with the previous years. The company also finalised its social impact bond with the French National Housing Agency (ANAH) (Agence Nationale de l'Habitat) aimed at refurbishing dilapidated and vacant buildings that local councils lack the resources to maintain. Lastly, new partnerships have been set up with Familles Solidaires, Siel Bleu and Réseau Eco-Habitat.

OUTLOOK

Apart from building in progress, 36 housing projects are currently under review. The company is developing a partnership with AG2R La Mondiale and expects to raise funds in 2020. Although the Covid-19 epidemic led to the suspension of a number of building projects, the impact should be limited in terms of business activity and future projects, as the company has sufficient cash resources to implement its projects over the next three years.

WORD FROM THE ENTREPRENEUR

"2019 was a year of progress for Foncière Chênelet: operations falling under the social impact bond are moving forward and are throwing up interesting challenges. We are consolidating our role as a promoter of social projects thanks to the large number of demands emanating from local councils. Engie is supporting us in the creation of a company in Belgium and our partnership with AG2R La Mondiale is challenging our role in rural areas and long-term model. Lastly, as I write these lines in 2020 we are still under lockdown, but this has had little or no impact on us apart from delays on three building sites."

François MARTY
Chairman

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

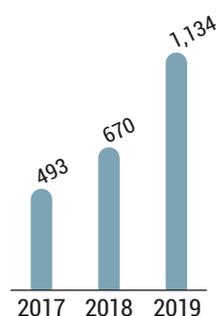
399
people relocated (total)
300 in 2016

854
tons of CO₂ emissions
avoided
110 tons in 2016

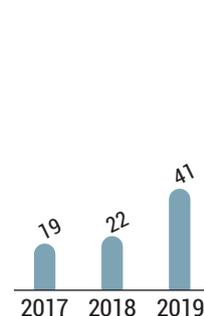
10,801 m²
of HEQ housing built (total)
7,900 m² in 2016

▼ Financial performance

Revenues (€000)



Profit/loss (€000)





Ethical Property Europe (EPE) provides sustainable and affordable shared property services and refurbishment to non-profit organisations and the social entrepreneurship sector.



Mundo-b, Brussels.

Our investment
€984,000
€757,000 in equity and
€227,000 in debt

Stake
10.2%

Initial investment
June 2010

WORD FROM THE ENTREPRENEUR

"With us from the outset, Phitrust has supported and advised us in all our capital calls since 2008, becoming one of Ethical Property's major shareholders. Moreover, Phitrust supports our strategic planning and development through dedicated workshops, by answering specific questions and, for a number of years now, by sitting on the Board of Directors. In 2019, Phitrust helped us to update our impact indicators and set up a financial committee tasked with analysing results and facilitating Board discussions."

Frédéric ANCION
CEO

2019 HIGHLIGHTS

EPE's business grew considerably in 2019, with the number of centres increasing from three to five. EPE completed the purchase and opening of a new Mundo Madou centre in Brussels: the first phase of work has been completed, resulting in 3,000 m² of eco-renovated offices and shared premises of which a large portion has already been rented. 2019 also saw the completion of work on the Mundo-A centre in Antwerp followed by its inauguration; this is the first EPE centre in Flanders. The team was reorganised mid-year and celebrated the company's 10th anniversary. Ethical Property Europe also carried out two fundraising exercises during the year, which brought in a total of €1.8 million to help fund its development.

OUTLOOK

The company defined new social and environmental targets for the coming years. EPE expects to obtain the permits for a centre in Louvain-la-Neuve due to open in early 2022. The Covid-19 crisis has prevented the use of offices and commercial development and halted the activity of renting conference halls, meeting rooms and co-working areas. The main issue is potential rent default by tenant organisations, some of which will undoubtedly need support to weather the crisis. EPE holds sufficient cash resources to cope with the situation.

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

179
non-profit and NGO
tenants
133 in 2015

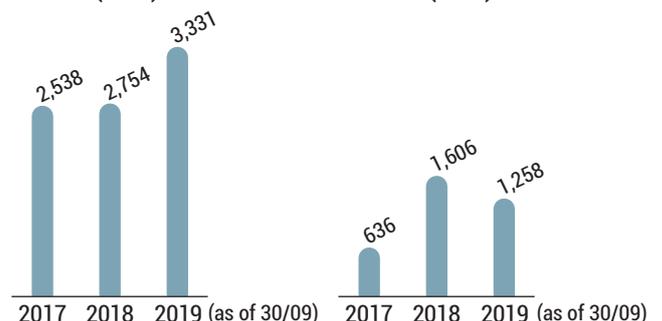
5
HEQ-certified office
centres
3 in 2015

17,500 m²
HEQ-certified offices
10,000 m² in 2015

▼ Financial performance

Revenues (€000)

Profit/loss (€000)





ETIC aims to provide agents of change (non-profits, social entrepreneurs, etc.) with affordable rented office and commercial premises of high social and environmental quality. ETIC finances and manages these premises.



The COOP, the new ETIC centre in Grenoble.

Our investment
€629,000
in equity

Stake
8.37%

Initial investment
October 2011

2019 HIGHLIGHTS

In April 2019, ETIC opened a new centre called LA COOP in Grenoble, an energy-efficient building recognised by ADEME converted into a 1,100 m² centre for social innovation. It is a multi-purpose centre comprising a restaurant and an innovation hub designed to allow digital data and participative web experts, social and creative entrepreneurs and renewable energy project creators to work and put their heads together. Meanwhile, ETIC pursued its development by working on projects in Lille, Paris and Toulouse, raising €1.6 million for this purpose. The company organised a day seminar on the themes of impact finance and economic development with a view to increasing occupancy rates.

OUTLOOK

ETIC raised funds in Q1 2020 to finance progress on the Lille, Toulouse and Paris centres due to open in two year's time. Against the backdrop of the Covid-19 crisis, ETIC centres have had to be closed but development activities are expected to continue. The company has sufficient cash resources to weather the crisis.

WORD FROM THE ENTREPRENEUR

"ETIC will soon be celebrating its 10th anniversary. Phitrust supported me even before I founded ETIC, as Olivier de Guerre built up a relationship with our Belgian and UK sister companies (Ethical Property). Since their first investment, I have been lucky to benefit from the help of the whole Phitrust team, especially Guy Portmann, regarding issues related to governance, impact finance and property development. I value their openness and willingness to help, as well as their ability to understand and support our triple balance strategy (balancing of social, environmental and financial performance)."

Cécile GALOSELVA
Founder, Chairman and CEO

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

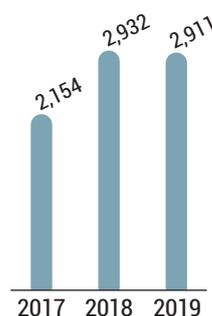
6
HEQ-certified office centres
3 in 2016

156
non-profit and NGO tenants
85 in 2016

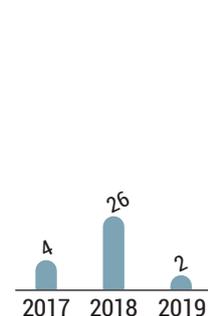
9,490 m²
HEQ-certified offices
4,170 m² in 2016

▼ Financial performance

Revenues (€000)



Profit/loss (€000)





Ecodair aims to provide access to training and employment to the mentally disabled and those isolated from the employment market through the reconditioning and recycling of IT equipment (circular economy). In this way, Ecodair broadens access to computer and digital equipment, thereby helping to narrow financial, geographical and other divides.



Our investment
€565,000
€65,000 in equity and
€500,000 in debt

Stake
33.6%

Initial investment
June 2006

WORD FROM THE ENTREPRENEUR

"Ecodair has gone through a number of different development phases over the last 5 years: we have structured the company using new tools and expanded the field of our skills and operations outside the Paris region. Having a partner like Phitrust by our side, always willing to listen with a constructive mindset, is a great asset. Phitrust put me in touch with a host of economic players, banks and partners. The Phitrust team provides constructive feedback practically on a day-to-day basis."

Étienne Hirschauer
CEO

2019 HIGHLIGHTS

Ecodair posted revenue growth of over 30% in 2019 (consolidated revenues generated by its 6 establishments), driven primarily by Ecodair Paris and also by the launch of a new production facility (Ecodair Paris Saclay) in the Essonne region. Ecodair also won the French Army Ministry call for tender for the collection of its waste electrical and electronic equipment (WEEE) in France. Commercial operations are on the rise, particularly sales to Simplon, one of its biggest customers, as well as online retail sales.

OUTLOOK

The aim is to take on more disabled workers and employees on reintegration programmes at all of its establishments. For this purpose and in order to meet growing demand, Ecodair plans to use financial facilities to increase its processing capacity in Paris and Marseille from 20 to over 100 computers a day. While the Covid-19 crisis forced Ecodair to shut down operations, it is gradually resuming activity while taking all the necessary precautions. The company has witnessed a huge rise in demand for reconditioned computers.

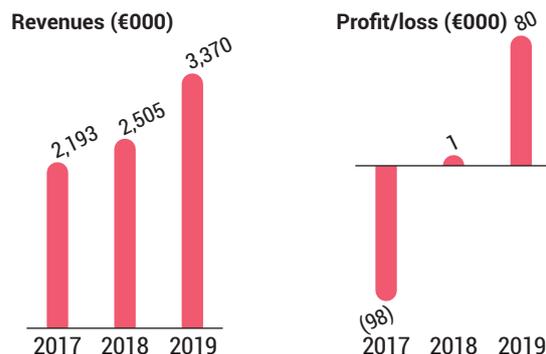
SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

96
disabled persons and
reintegration employees
67 in 2018

10,000
reconditioned computers sold
6,615 in 2018

▼ Financial performance





Training and professional reintegration



La Varappe helps persons in social and professional difficulty to find employment leading to qualification and live with dignity. The company aims to become one of the leading social inclusion groups in France. La Varappe offers reintegration courses focused on environmental occupations (waste treatment, grounds maintenance, renewable energy).



La Varappe, LVD Energie.

Our investment
€1.9 million*

Stake
23.17%*

Initial investment
June 2008

* Joint investment by Phitrust Partenaires and Phitrust Partenaires Europe: see pages 17 and 34.

2019 HIGHLIGHTS

In 2019 the company posted record revenues. It carried out a successful €4.37 million capital increase, thereby confirming its interest among investors. The environmental business is growing, with the corresponding impact on financial results. The Homeblock business has been structured and developed (revenues doubled) despite the lengthy cycles involved in gaining markets. Positive outcomes are on the increase and training is being deployed through temporary employment. Impact results are in line with forecasts. The group has set up a joint venture with VINCI named INVA, a company that provides services at motorway service stations involving the creation of new jobs under reintegration programmes.

OUTLOOK

The late 2019 fundraising will enable the company to pursue its development via organic growth and acquisitions. The group will finalise acquisitions in progress. Eureka, the temporary employment organisation, harbours ambitious plans to open agencies in the Paris region, Toulon, Orange, Nîmes and Montpellier as part of the French government plan to promote temporary employment. Most operations were suspended during the Covid-19 crisis. The nationwide healthcare agency network proved the most resilient. The company has sufficient cash resources to weather the crisis and prepare to resume operations.

WORD FROM THE ENTREPRENEUR

“Support - what a nice word that is misused in so many ways. Even so, it's the word we use to describe the exceptional relationship we have maintained with Phitrust for over 10 years. The word takes on its full meaning when used to describe Phitrust's benevolent commitment by our side and our discussions fuelled by women and men who have become fellow adventurers challenging senior management and the operating team. Personal contact, commitment, benevolence and durability sum up this relationship in which our professional lives and pathways intertwine so that each of our projects is assimilated by the other.”

Laurent LAÏK
CEO

SOCIAL AND FINANCIAL PERFORMANCE

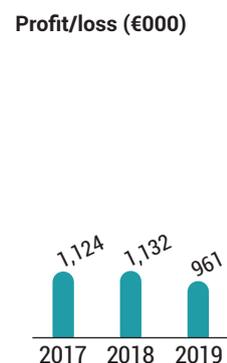
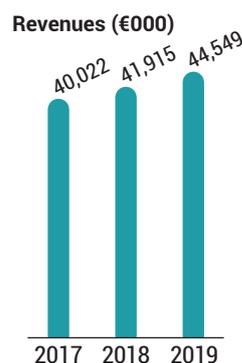
▼ Social and environmental impact

622
full-time
reintegration jobs
573 in 2015

79.4%
positive
outcomes
78% in 2016

190,000
tons of waste recycled
74,900 tons in 2017

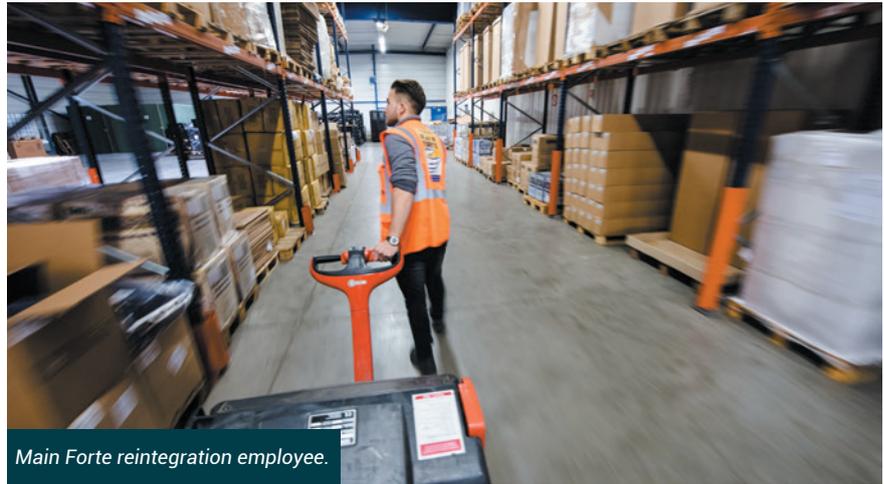
▼ Financial performance



MAIN FORTE



Main Forte is a work reintegration company operating in the road transport and logistics sector. For over 20 years, via training and practical experience Main Forte has helped persons isolated from the employment market to become professional truck drivers.



Main Forte reintegration employee.

Our investment
€200,000
in equity

Stake
16.8%

Initial investment
June 2015

WORD FROM THE ENTREPRENEUR

"As an investor, Phitrust is both patient and present: if I have a slightly technical question or need a contact to make headway on a project, I automatically think "Phitrust" and I always get a constructive answer. We also have a great mentor from their network, who is always ready to help; their advice and analysis are priceless. Phitrust is a longstanding supporter of Main Forte."

Elisabeth DARGENT,
CEO

2019 HIGHLIGHTS

Main Forte returned to breakeven in 2019, mainly due to tight control of structure costs. Revenues also rose sharply. The change versus 2018 was therefore highly positive. Moreover, sales prospecting generated a number of leads for new business. The main problem is the high turnover of truck drivers due to the tight market. Several partnerships set up in northern France have strengthened the support of its employees.

OUTLOOK

The main challenge for Main Forte remains the hiring of truck drivers, an aspect that unfortunately lies beyond the company's control, in a sector hit by shortage of labour. The company aims to reboot development projects and initiate a large-scale training project. While Covid-19 has impacted business strongly, some divisions have continued to operate, primarily in the food sector. Given its cash position and the assistance received from the government, Main Forte is proving resilient.

SOCIAL AND FINANCIAL PERFORMANCE

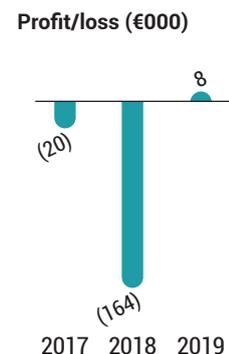
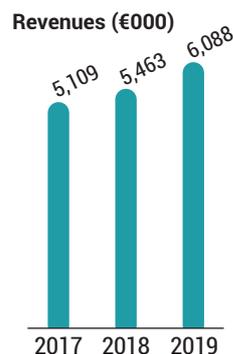
▼ Social and environmental impact

84
FTE workers on
reintegration programmes
66 in 2015

2,460
training hours
3,020 in 2015

67%
positive outcomes
56% in 2014

▼ Financial performance



PERMICRO



PerMicro is an Italian microfinance institution offering microloans and financial education services to entrepreneurs and families that lack access to traditional bank services. Most of its beneficiaries are legal immigrants. PerMicro supports their economic integration.



Bangla Deli entrepreneurs backed by PerMicro in Florence.

Our investment
€659,000
in equity

Stake
4.54%

Initial investment
July 2010

2019 HIGHLIGHTS

In 2019, PerMicro granted loans totalling over €36 million, up over 30% versus 2018, providing financial assistance to over 4,480 families (92% of migrant origin) and 396 microentrepreneurs. Despite this, the company posted a loss, mainly due to additional provisions required further to rule changes by Banca d'Italia. In 2019, Benigno Imbriano was appointed CEO of PerMicro to replace Andrea Limone, who became Chairman. New branches opened in 2018 (including Palermo) pursued their development and new subsidiaries were set up in Macerata, Brescia and Lecce to bring the total to 16. The third tranche of the capital increase authorised in May 2018 was paid in December 2019, amounting to €1.6 million.

OUTLOOK

The CEO presented a development plan that should allow the company to post a profit by 2021. The plan has three components: business development driven by increasing agent productivity, diversification of the offering to beneficiaries and improved management of structure costs. PerMicro is particularly exposed to the Covid-19 crisis due to the enhanced default risk among microentrepreneurs backed by the company coupled with a sharp decline in new business. Nevertheless, PerMicro expects to pull through this unprecedented crisis with the help of national and European assistance schemes.

WORD FROM THE ENTREPRENEUR

"2019 was a year packed with challenges and new developments. The Banca d'Italia audit enabled us to strengthen our processes and controls. Shareholders renewed their trust in us at the time of the capital increase. New CEO Benigno Imbriano made changes to the company's organisation and market approach. Physically distant but close in spirit, our French shareholders once again showed their ability to take a close interest in our challenges and propose ideas and solutions to the management team. Further challenges are now in store for all of us, maybe beyond the Alps..."

Andrea LIMONE,
Chairman

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

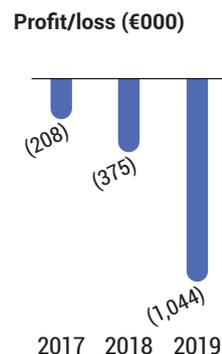
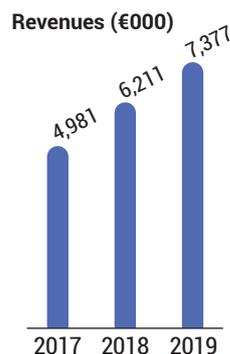
€36 million
loans granted
€27 million in 2018

334
jobs created through
microloans
309 in 2018

Financial inclusion

1,359
persons given access to bank services
749 in 2018

▼ Financial performance





Financial inclusion



In developing countries, most of the adult population own a mobile phone, whereas 80-95% do not have a bank account. TagPay aims to solve this problem by giving low-income population groups access to the banking system via smartphones and its proprietary online banking technology.



TagPay technology users

Our investment
€161,000
in equity

Stake
1.8%

Initial investment
June 2012

WORD FROM THE ENTREPRENEUR

“For nearly 10 years now Phitrust has actively supported our development with perseverance, patience and trust in our vision. We are besieging the bank fortress with digital solutions that help to reduce the informal economy that spawns violence and poverty. Besides providing us with financial banking, Phitrust stands constantly by our side to help us make those big decisions. We currently serve over 6 million beneficiaries in 28 countries and are beginning to operate in Europe. We value your skills more than ever before - thank you.”

Yves EONNET
and Hervé MANCERON
Co-founders and directors

2019 HIGHLIGHTS

The company posted highly satisfactory growth in 2019. Three of TagPay’s main customers in Africa (YUP/Société Générale, Trust Merchant Bank and Togocel) registered strong business growth in 2019 which had a powerful knock-on effect on financial inclusion in the countries and regions in which they operate. TagPay launched the Holo service through the Comorian Development Bank, a scheme aimed at casting the inclusion net far and wide. Moreover, a number of development projects are underway in Europe. Most customers are gaining maturity, which allows TagPay to develop additional services. TagPay was recognised in the 2019 Champions of Growth survey conducted by Statista and Les Echos newspaper.

OUTLOOK

The company is growing and negotiations are underway to develop its business. On the overseas market, TagPay plans to develop its business in North Africa, focusing on Tunisia where only 30% of the population have and use a bank account, according to company estimates. In France, TagPay aims to win further calls for tender organised by banks. The company is currently setting up a system of automatic updates to the platform, an essential step towards industrial scale-up. The Covid-19 crisis has had a limited impact on business for the moment and could even boost the company’s development given the nature of the services offered. TagPay could provide a handy solution for exiting the crisis as it allows banks to digitise their services easily while keeping costs under control.

SOCIAL AND FINANCIAL PERFORMANCE

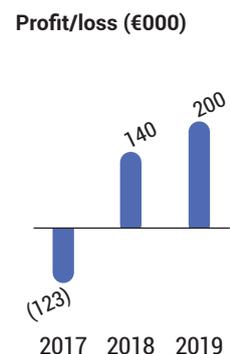
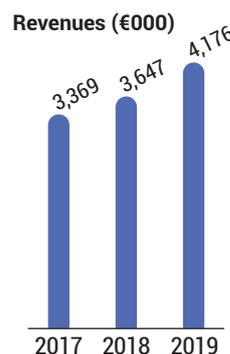
▼ Social and environmental impact

26
platforms
17 in 2015

1,013,918
active users
343,952 in 2017

2,376
jobs created or preserved
indirectly
380 in 2015

▼ Financial performance



NAMÉ RECYCLING



Namé is developing a solution for collecting, processing and recycling plastic waste that is increasingly polluting both urban and rural areas in Cameroon. The plastic is transformed into flakes or recycled locally as packing material then sold on the local and international market.



NAMé Recycling employees at work.

Our investment
€248,000
 €148,000 in equity and
 €100,000 in debt

Stake
5.67%

Initial investment
December 2019

WORD FROM THE ENTREPRENEUR

“We are lucky to be able to count on Phitrust, a partner that knows the ins and outs of our business sector and not only supports our expansion plans, but also provides advice and guidance with the various procedures. Growing is a tricky process, not always clear, and knowing we can rely on Phitrust, which shares our values geared towards achieving both social and economic targets, is an additional guarantee that is very important for us at this time.”

Roblain NAMEGNI
 and Thomas POELMANS
 Directors

2019 HIGHLIGHTS

In 2019, the company exceeded budgeted revenues, which rose sharply versus 2018. The company has expanded its business model by adding street waste collection (post-consumer plastic) to Namé’s core activity of collecting plastic waste from bottling firms. This plastic is of superior quality, as it is unused and therefore has greater market value. Namé raised funds to develop this “post-consumer” division, build a new plant and recycle this plastic locally. This activity strengthens its impact, by creating jobs and reducing waste. Namé has transferred its operations centre from Limbe to Cameroon’s economic hub in Douala.

OUTLOOK

Over the course of three years, Namé Recycling has become the country’s main plastic recycler. The company plans to develop local processing capacities in order to serve its markets and limit the transportation of recycled plastic. The company plans to close a deal to build a new plant in Douala. Namé also plans to install collection centres in northern Cameroon. Nevertheless, business has been hard hit by the Covid-19 crisis with European customers postponing material purchases.

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

1,281
 tons of waste recycled
 84 tons in 2016

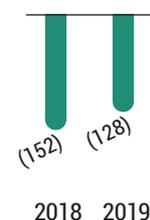
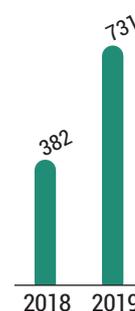
2,819
 tons of CO₂ emissions avoided
 187 tons in 2016

121
 waste collectors

▼ Financial performance

Revenues (€000)

Profit/loss (€000)





Phitrust Asia pursues the same strategy as Phitrust Partenaires adapted to conditions and requirements in South-East Asia. The fastest growing sectors are sustainable farming and food, healthcare, access to water and energy, and the circular economy. Phitrust Partenaires is the majority shareholder. Henri de Reboul, shareholder and head of Phitrust Asia, is responsible for selecting investments in consultation with a network of experts and partners and a dedicated investment committee.



ATEC biodigester used by a community in Cambodia.

Our investment
€409,000
€200,000 in equity and
€209,000 in debt

Stake
59.6%

Initial investment
November 2016

WORD FROM
THE ENTREPRENEUR

"Having amassed a wealth of experience in South-East Asia and Europe, both in the field and by supporting new businesses, and worked with Phitrust for a number of years, I set up Phitrust Asia in 2016. Social entrepreneurship is catching on in the region. It's exciting to identify and support entrepreneurs who develop profitable businesses and will have a large impact on populations in difficulty."

Henri de REBOUL
Director

2019 HIGHLIGHTS

In 2019, Krakakoa organised fundraising, while Wheig Asia solved its governance issues with Henri de Reboul appointed Chairman. Phitrust Asia invested in ATEC, a social enterprise that develops biodigesters in Cambodia. This unrivalled technology, which is particularly suited to countries affected by seasonal flooding, is a source of renewable gas for cooking and organic fertiliser and generates savings of \$13,000 per family over the product's lifetime. Phitrust Asia and Danone Communities will be working together to identify and assess social enterprises in the region with strong potential for providing access to drinking water.

OUTLOOK

The main challenge is to help portfolio companies manage the crisis, which affects them in different ways, and reboot their business. The idea is to raise funds and invest in two or three social enterprises whose model has proved its resilience to the coronavirus crisis and offers a solution to the needs of populations in difficulty. These companies operate in the sectors of integration for disabled persons, fishing for algae that can be transformed into bioplastics, government-funded sustainable tourism and the distribution of quality produce from smallholder farmers.

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

4
social
enterprises
supported

> 100,000
total beneficiaries*
of social enterprises
supported

▼ Portfolio at 31/12/2019

ATEC (biodigesters)	\$150,000 (equity)
Krakakoa (fair trade chocolate)	\$100,000 (convertible bonds)
Nexus Pioneer facility (access to water)	\$125,000 (loan)
Wheig Asia (waste management)	\$248,000 (equity and bridge loan)
TOTAL	\$623,000

* customers with access to water or energy and farmers.

IMPACT FUNDS

COOPMED



CoopMed invests in microfinance institutions, banks, health insurance companies, businesses and financial institutions in the countries located in the Mediterranean basin. In this way, it promotes the creation of jobs and supports local economic development.

Our investment
€100,000
in equity

Stake
2.3%

Initial investment
January 2016

2019 HIGHLIGHTS AND OUTLOOK

By the end of 2019, CoopMed had 10 clients in 5 countries: Morocco, Lebanon, Tunisia, Jordan and the Palestinian territories.

Total assets under management amount to €9.3 million, while loans to microfinance institutions (MFI) average €620,000 and the average loan to end beneficiaries is €957. In 2019, CoopMed made a number of changes to its portfolio (redemptions and renewals) and reshuffled its management team.

▼ Impact

191,208
end beneficiaries
147,157 in 2017

21,454
jobs created or preserved
6,849 in 2017

▼ Portfolio

Lebanon	€3m	33%
Palestine	€2.1m	27%
Morocco	€2.5m	23%
Jordan	€822,000	9%
Tunisia	€750,000	8%
TOTAL	€9.3m	

MICROFINANCE SOLIDAIRE



Microfinance Solidaire invests in microfinance providers and energy access funds created or supported by the Entrepreneurs du Monde NGO to supply their needs for working capital or credit.

Our investment
€280,000
in equity

Stake
8.3%

Initial investment
June 2010

2019 HIGHLIGHTS AND OUTLOOK

As of 31/12/2019, assets under management totalled €9.5 million, including a social business portfolio worth €610,000. 20 organisations are financed in 14 countries. 2019 was marked by successful fundraising from LITA.co and retail investors. The impact research to promote access to gas in Burkina Faso launched in 2019 will continue in 2020.

▼ Impact

251,071
end beneficiaries
174,798 in 2017

71%
SPI4 CERISE average score (social performance audit tool for microfinance providers)
68% in 2017

▼ Portfolio

Microfinance - Startup	€1.4m	15%
Microfinance - Growth	€4.6m	48%
Microfinance - Mature	€2.9m	31%
Social business	€610,000	6%
TOTAL	€9.5m	100%

IMPACT FUNDS

AMSI



Founded by ADIE, AMSI provides turnkey microfranchise solutions for persons isolated from the employment market wishing to develop an entrepreneurial project.

Our investment
€125,000
in equity

Stake
24%

Initial investment
April 2011

2019 HIGHLIGHTS AND OUTLOOK

In 2019, the *Mon assistant numérique* franchise signed 20 new contracts and aims to sign a further 24 in 2020. In 2019, O2 Adie added 12 more microfranchises to its network to bring the total to 65.

Lastly, Club Mobilité (a Renault/Adie partnership) achieved its target to deliver 300 vehicles in 2019 and is forecasting a significant rise in volumes for 2020. A full impact assessment will also be conducted in 2020.

▼ Impact

303
micro-entrepreneurs
financed
192 in 2015

6
microfranchises
developed
3 in 2015

▼ Portfolio

La Microfranchise O2 Adie	€10,000 (equity)
Mon coursier de quartier (Cyclopolitain)	€104,000 (equity)
Mon assistant numérique	€30,000 (equity)
Cyclofix	€15,000 (equity)
Club Mobilité	€30,000 (equity and loan)
TOTAL	€189,000

SCHNEIDER ELECTRIC ENERGY ACCESS (SEEA)



The fund finances and supports companies operating in the energy access sector in developing countries and social enterprises (particularly those supporting workforce integration) tackling the issue of fuel poverty in Europe.

Our investment
€200,000
in equity

Stake
5.4%

Initial investment
December 2011

2019 HIGHLIGHTS AND OUTLOOK

In 2019, SEEA analysed 35 opportunities and made four investments, two in France and two overseas. The company also launched a new €20.9 million impact fund in Asia aimed at financing access to energy in the region in partnership with Electrifi, Norfund and Amundi. The challenge facing SEEA at the moment is helping its investees cope with the Covid-19 crisis.

▼ Impact

3,280 m²
of housing built or renovated
(social housing and fuel
poverty)
2,040 m² in 2018

170
FTE employees on
reintegration programmes
in portfolio companies
135 in 2018

▼ Portfolio

Reduction of energy costs for low-income households (France /Europe)	€1,913,000
Access to energy (Africa/Asia)	€1,690,000
TOTAL	€3,603,000 (8 projects)

IMPACT FUNDS

INVESTISSEURS ET PARTENAIRES AFRIQUE ENTREPRENEURS



I&P Afrique Entrepreneurs funds and supports small and medium-sized businesses in sub-Saharan Africa and the Indian Ocean with a view to promoting the emergence of a new generation of African entrepreneurs seeking both financial and social performance.

Our investment
€184,000
in equity

Stake
0.4%

Initial investment
June 2012

2019 HIGHLIGHTS AND OUTLOOK

The fund carried out five divestments in 2019, including Conergies (Ivory Coast and Mali) and Delta Irrigation (Senegal). A number of other divestments have been initiated. The company will pursue its divestment plan in 2020, even though the plan could be disrupted by the present crisis and the fund's term will probably have to be extended. I&P Afrique Entrepreneurs has also made new investments, including in microfinance provider ACEP Group.

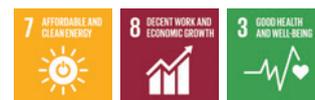
▼ Impact

29
business
funded

▼ Portfolio

I&PAE portfolio	2017	2018	2019
SME	€25,391,000	€27,311,000	€28,785,000
MFI	€4,726,000	€5,724,000	€5,726,000
TOTAL	€30,117,000	€33,035,000	€34,511,000

INVESTISSEURS ET PARTENAIRES DÉVELOPPEMENT



I&P Développement funds small fast-growing African businesses, mostly start-ups, with a strong social and/or environmental impact.

Our investment
€305,000
in equity

Stake
2.7%

Initial investment
July 2006

2019 HIGHLIGHTS AND OUTLOOK

The fund is being run down and has been extended until March 2021 in order to complete the transactions under optimum conditions. The following divestments were ongoing or completed in 2019: Nutrizaz, Laiterie du Berger, Carotech Bénin, Cofipêche, Loop, Ken Atlantic, Acep Niger and Cameroun Brevages. Other companies still in the portfolio are posting excellent social and financial performances, including Acep Cameroun and Bhelix.

▼ Impact

28
business
funded

▼ Portfolio

I&PD portfolio	2017	2018	2019
SME	€2,781,000	€2,282,000	€1,228,000
MFI	€365,000	€365,000	€183,000
I&P Capital and Indian Ocean	€253,000	€263,000	€154,000
TOTAL	€3,399,000	€2,910,000	€1,565,000

PHITRUST PARTENAIRES EUROPE PORTFOLIO

A SIMPLIFIED JOINT STOCK COMPANY CREATED BY PHITRUST PARTENAIRES AND THE EUROPEAN INVESTMENT FUND TO FINANCE SOCIAL ENTREPRENEURSHIP PROJECTS IN THE EUROPEAN UNION. PHITRUST PARTENAIRES HOLDS 28.7% OF THE COMPANY'S SHARE CAPITAL.

OVERVIEW

31/12/2019



Company	Aim	Region	Stake	Equity (€000)	Loan (€000)	Total invested (€000)	Rev.	P/L	Impact	Main impact indicators	Page
Koiki	Last mile delivery by mentally disabled persons	Spain	13.53%	304	0	304				109 active Koikis	35
Alenvi	Home care services company that reinvents the way dependent elderly people are cared for, by empowering carers	France	12.81%	500	0	500				69 personal carers	36
Responsage	Responsage is transforming the social assistance profession by providing innovative support to its employees, who help vulnerable family members	France	8.80%	200	0	200				2,000 working caregivers supported	37
Simplon.co	Coding training for young people isolated from the employment market	France	10.64%	719	1,132	1,851				2,140 students completed training	38
Envie RA	Work reintegration social enterprise that processes and recycles WEEE	France	19.55%	400	0	400				407 tons of waste avoided	39
Lemon Tri	Collection and recycling of plastic bottles	France	9.33%	500	250	750				1,320 tons of waste collected	40
Les Alchimistes	Collection and composting of organic waste in urban areas	France	8.34%	700	0	700				774 tons of biowaste collected	41
LITA.co	Equity crowdfunding of social enterprises	France	14.02%	420	0	420				€35 million raised	42
La Varappe	Social reintegration through work	France	6.49%	1,000	0	1,000				622 full-time reintegration jobs	24
TOTAL				4,743	1,382	6,125					

Phitrust Partenaires holds a 28.67% stake in Phitrust Partenaires Europe alongside the European Investment Fund, which holds a 49.9% stake. Two members of the investment committee sit only on this committee, while the other members also sit on the Phitrust Partenaires investment committee.



Koiki offers a last mile delivery solution (on foot or by bicycle) with a social and environmental impact. For this purpose, the company hires mentally disabled persons and jobseekers on reintegration programmes (called "Koikis") in the regions of Madrid and Barcelona, Spain.



Koikis ready to perform last mile deliveries.

Our investment **€300,000** in equity
 Stake **13.53%**
 Initial investment **January 2017**

WORD FROM THE ENTREPRENEUR

"2019 was a pivotal year for Koiki's operational and financial development. Revenues were up 95%, while the social and environmental impact increased by 53% in terms of job creation and CO₂ emission reductions. In March, we received a bridge loan from Phitrust and Seed Capital Bizkaia, followed by a capital increase in November subscribed mainly by Repsol Impacto Social, the fund's first incursion into impact investing. We have received invaluable and unflagging support from Silvia Alonso Castrillo, Phitrust's representative on our Board, and from Phitrust Chairman and CEO Olivier de Guerre."

Aitor OJANGUREN
 Founding director

2019 HIGHLIGHTS

2019 saw a marked increase in deliveries, up 53% versus 2018. New centres were opened with DHL in Huelva and Olot. The Repsol foundation acquired an equity stake in Koiki via its Repsol Impacto Social fund. The investment will be carried out in stages and will help Koiki structure its development. The company also expanded its network of organisations working for the professional integration of disabled persons.

OUTLOOK

Talks are underway with a number of major groups (IKEA, Saica-Natur, Zalando) with a view to establishing partnerships. New clients such as l'Oréal and organic supermarket chain Veritas are beginning to work with Koiki. The Covid-19 crisis led to the suspension of most operations, despite the considerable increase in B2C consignments, given delivery staff's concerns about the situation in view of their condition. Madrid is the only place where operations have continued. The situation is complicated but the company is not exposed to major risk in 2020.

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

109
 active Koikis
 43 in 2016

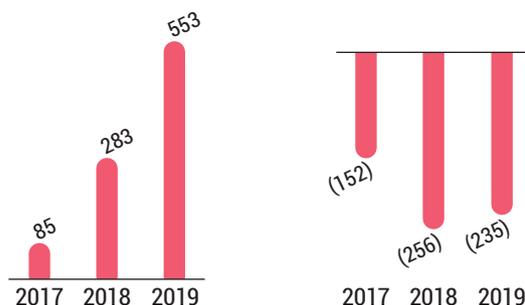
450
 people trained
 150 in 2016

116
 tons of CO₂ emissions avoided
 4 tons in 2017

▼ Financial performance

Revenues (€000)

Profit/loss (€000)





Alenvi is reinventing how care is provided to dependent persons, including the elderly, and making it more about people, by supporting carers and reconciling human and economic issues affecting the sector.



An Alenvi personal carer and her elderly protégé.

Our investment
€500,000
in equity

Stake
12.81%

Initial investment
July 2018

2019 HIGHLIGHTS

Home, the company's home care business, doubled its volumes in 2019, despite the stabilisation of the business model taking longer than expected. 2019 was a period of development for Compani, the home care training division tasked with re-injecting a human dimension into the profession. The division has strong potential for growth. Alenvi also co-founded "L'Humain d'Abord", an association of home care organisations inspired by the Dutch model invented by Buurtzorg. Alenvi also set up the Human Alignment Index, a new tool for improving working conditions for personal carers. 20 agencies in the sector have adopted the index in order to survey 1,500 carers.

OUTLOOK

Fundraising is underway in order to finance the company's organic growth and acquisitions in its two business lines. In response to the Covid-19 crisis, Alenvi has launched the #NosVieux.fr initiative to tackle the problem of isolation among the elderly population. The home care business is continuing but has been partly impacted, while most training courses have been postponed. Alenvi has a resilient business model and the crisis is highlighting the need to support those working in the sector.

WORD FROM THE ENTREPRENEUR

"In 2019, I particularly remember a meeting with the Phitrust team and Alenvi personal carers where we put our heads together to define our mission. It was a great moment of cooperation very representative of the cohesion between Phitrust, Alenvi, the employees and other stakeholders."

Guillaume DESNOËS,
Co-founder and Chairman

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

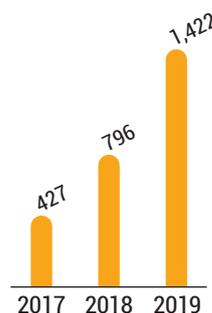
69
personal carers
42 in 2018

273
elderly persons
receiving care
163 in 2018

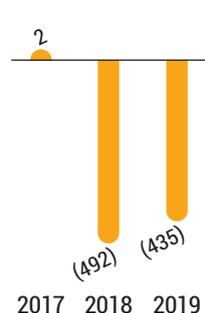
44%
APA individual autonomy
allowance beneficiaries
19% in 2018

▼ Financial performance

Revenues (€000)



Profit/loss (€000)



RESPONSAGE



Social support



Responsage is radically changing how social care works by supporting employees who help care for friends and family made vulnerable by illness, disability or old age via an innovative guidance and advisory service.



The Responsage team.

Our investment
€200,000
in equity

Stake
8.8%

Initial investment
July 2018

2019 HIGHLIGHTS

In 2019, Responsage won a major call for tenders issued by France Télévisions and is now responsible for providing social care to the Group's 8,500 employees. Responsage also worked on the establishment of an endowment fund to provide its service at a subsidized rate to the self-employed, low-income employees and those on reintegration programmes. Overall business volumes and revenues are growing strongly in line with forecasts.

OUTLOOK

The contract for provision of social care services to employees of the Bourgogne Pôle Emploi employment agency is due to kick off in 2020. The Covid-19 crisis has had little impact on Responsage given that its services are digitised. The crisis could even provide opportunities for growth, as the business model is particularly suited to this type of situation. All employees were already used to working from home and had access to the platform. In addition, governance and the capital structure are currently being streamlined.

WORD FROM THE ENTREPRENEUR

"In 2019, ASAP Solutions/ Responsage experienced both robust growth and a governance crisis. Support from our investor Phitrust was crucial for holding our course towards socially responsible growth without losing sight of our CSR goals. Not to mention sharing its expertise in governance matters. Phitrust's expertise in mediation and financial matters helped us to avert a major setback, namely the loss of a project due to diverging shareholder choices. Phitrust's focus on the project rather than short-term ROI helped us to weather the storm."

Joël RIOU,
Founder and CEO

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

69
Net Promoter Score (NPS)*
69 in 2018

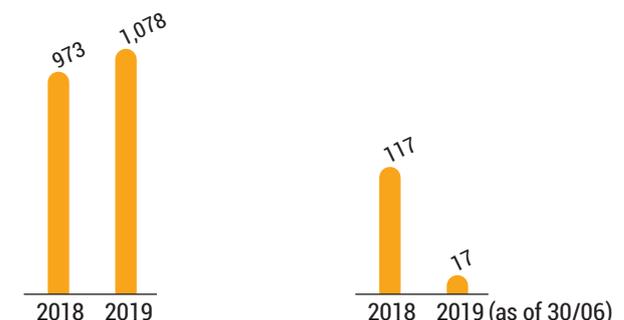
2,200
working caregivers supported
1,800 in 2018

* management tool used to measure customer loyalty.

▼ Financial performance

Revenues (€000)

Profit/loss (€000)





Training and professional reintegration



Simplon.co provides free online training in computer code and web professions in France to persons isolated from the employment market and/or educational system through a network of digital schools and franchises.



Our investment
€1,850,000
 €719,000 in equity
 and €1,131,000 in debt

Stake
10.64%

Initial investment
May 2017

2019 HIGHLIGHTS

In 2019, Simplon raised €12 million from impact investors to accelerate the scale-up process. An initial tranche was paid in March 2019. The purpose of this fundraising is to pursue growth in France and overseas. During the year, the "workshops" in the French network developed strongly in terms of the number of learners and training courses. Five new certifications were approved, bring the total tally of Simplon certifications to eleven. Under its disability programme named #Simplonforall, Simplon partnered with the Coordination Handicap National Committee to launch a call for projects on the theme of "Digital Initiatives and Disability".

OUTLOOK

The second fundraising tranche is scheduled for 2020. Over the coming year the company plans to develop an "A.typical I. ntelligence" pilot to support autistic people, of whom 120,000 are attracted to digital occupations in France and 85% are unemployed. In its international strategy, Simplon is targeting three priority regions: Europe, Africa and India. The situation with regard to the Covid-19 crisis is more or less stable and positive. All face-to-face training has been switched to remote learning mode and includes specific coaching.

WORD FROM THE ENTREPRENEUR

"We are very lucky to have Phitrust by our side. Phitrust provides cutting-edge advice at all levels (Board and strategy, audit and remuneration committee, development and social impact, hiring key personnel). Its opinions are enlightening and a determining factor in all decisions taken by our management team, whether in France or overseas. Its contribution towards unifying and galvanising our investors is also highly appreciated."

Frédéric BARDEAU
 Director

SOCIAL AND FINANCIAL PERFORMANCE

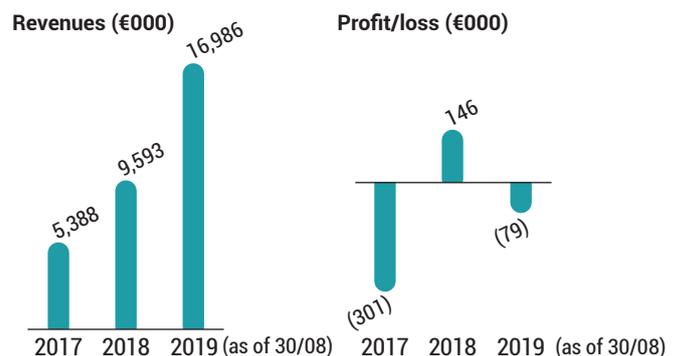
▼ Social and environmental impact

2,140
 students completed training in 2019
 552 in 2017

72%
 positive outcomes among beneficiaries

48,024
 young people sensitised in France since the start of the programme

▼ Financial performance



ENVIE RHÔNE-ALPES



Training and professional reintegration



A reintegration company operating in the circular economy sector, ENVIE Rhône-Alpes is a major player in the treatment and recycling of waste electrical and electronic equipment (WEEE) and a member of the ENVIE nationwide network.



Envie Rhône-Alpes WEEE collection logistics.

Our investment
€400,000
in equity

Stake
19.55%

Initial investment
June 2019

WORD FROM THE ENTREPRENEUR

"Phitrust provides us with a wealth of opportunities besides financial support, for example by establishing ties with other social entrepreneurs to promote business development and by assigning a mentor from the Phitrust network, in our case Evrard Guelton. Lean management, a method that we both find highly suitable for reintegration programmes, has been the starting point of our cooperation and is already having a positive impact on operations. Being able to share views and benefit from the expertise of an outside observer is an enriching experience that has become very important for me."

Guido LOCATELLI
Director

2019 HIGHLIGHTS

The situation at the end of 2019 is largely positive for all Group companies, whose results have been better than expected. Lean management has been introduced thanks to the cooperation between the director and his Phitrust mentor. It has very quickly enabled the company to process a large volume of additional monitors while improving quality, dialogue with team leaders and employee experience. Envie RA's Weeelabex certification was renewed in view of its exemplary handling of WEEE. The 3rd Green Friday campaign (initiated by the Envie network as a response to Black Friday consumer glut) was a resounding success prompting over 300 media reports.

OUTLOOK

The main challenge facing Envie Rhône-Alpes in 2020 in terms of its logistics and treatment operations will be submitting bids for Ecosystem calls for tender with contracts due to start in March 2021. The other main initiatives will be expanding the company's regional coverage by developing the WEEE logistics business and refocusing the business on flat screens. Although the Covid-19 crisis forced the company to suspend operations for a certain period, there are no cash problems and the company is confident in its ability to handle the situation.

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

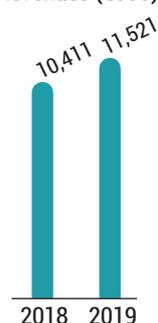
140
FTE workers on reintegration programmes
115 in 2017

407
tons of waste avoided (reuse and repair)
354 tons in 2017

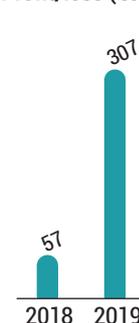
20,161
tons of WEEE collected
19,000 tons in 2017

▼ Financial performance

Revenues (€000)



Profit/loss (€000)





Lemon Tri offers innovative solutions for recycling office waste and plastic bottles through collection machines, while promoting professional reintegration through collection activities.



Our investment
€750,000
 €500,000 in equity and
 €250,000 in debt

Stake
9.33%

Initial investment
July 2016

WORD FROM THE ENTREPRENEUR

“2019 was marked by sustained growth (60%) accompanied by new projects and promotional activity on both markets: multi-flow recycling in companies and installation of bottle recycling machines in stores. Phitrust and particularly our mentor Stéphane Courtot have helped us structure our business and stay focused. We went through a patch of internal turbulence in our financial processes and the Phitrust team helped us set up a robust administration and finance department.”

Emmanuel BARDIN
 and Augustin JACQUELIN
 Co-founders and directors

2019 HIGHLIGHTS

Early in the year, the company raised €500,000 through a convertible bond issue to finance relocation into larger premises to accommodate growth, fund a patent application (machines) and restore balance to the debt-equity ratio. The company currently has around 400 machines installed in stores and 3,123 containers in offices. Strong business growth has been driven by the corporate market, where entry demand was high, enabling Lemon Tri to exceed its revenue forecasts. This year Lemon Tri was a finalist in the Boston Consulting Group's Social Entrepreneur awards.

OUTLOOK

Lemon Tri serves a fast-growing market. Challenges for 2020: become profitable and pursue development focusing on the machine segment. Supermarkets and hypermarkets are interested in recycling, which is an opportunity to be grasped. Covid-19 had a severe impact on the company's business, leading to a decline of around 90% of its activity at the peak of the crisis. Nevertheless, the company has received government assistance and has the cash resources to cope with the situation.

SOCIAL AND FINANCIAL PERFORMANCE

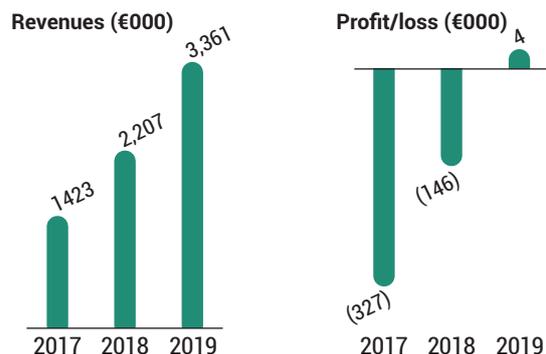
▼ Social and environmental impact

22
 reintegration jobs
 in 2019
 0 in 2015

3,043
 tons of CO₂
 emissions avoided
 in 2019
 110 in 2015

1,320
 tons of waste
 collected in 2019
 50 in 2015

▼ Financial performance





Les Alchimistes collects and composts organic waste in urban areas. The company uses electromechanical composters in mini-factories. It provides fulfilling employment for jobseekers emerging from reintegration programmes.



Biowaste collected by Les Alchimistes.

Our investment
€700,000
in equity

Stake
8.34%

Initial investment
December 2019

WORD FROM THE ENTREPRENEUR

“In order to take up the challenges facing us when we founded Les Alchimistes, we needed bold, patient, inventive and committed investors. We held talks with Phitrust even before we started the company. We discussed the best ways of organising governance and development. When we decided to go public, we naturally turned to Phitrust for support and guidance in making the right choices.”

Alexandre GUILLUY,
Cyrielle CALLOT
and Fabien KENZO-SATO
Directors

2019 HIGHLIGHTS

Founded three years ago, the company has three goals: establish operations in France's regions by setting up microindustrial facilities, restore dignity to the profession of organic waste collector and manufacture premium quality urban compost to contribute towards greener cities. Towards the end of 2019, Les Alchimistes raised €2.4 million from a number of impact investors including Phitrust Partenaires Europe. The funds will be used to carry out the necessary hiring and investment to grow the business and consolidate the business model. The project is developing through the creation of subsidiaries and franchises in order to cover the whole country as quickly as possible.

OUTLOOK

2019 started with a purchase of a structure in Lyon, integration of which is going ahead according to plan. The funds raised in 2019 will allow the company to step up growth on its high potential market. The Covid-19 crisis led to the closure of all biowaste collection operations, which mainly focus on restaurants and canteens. Post-crisis challenges in store for the company include rebalancing collection and treatment operations by diversifying the customer base.

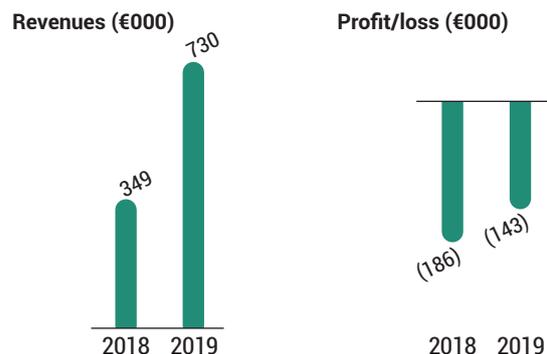
SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

774
tons of biowaste collected
30 tons in 2018

55
tons of compost sold

▼ Financial performance





LITA.co provides an equity crowdfunding solution via an online platform and grants loans for projects having a social and environmental impact.



Our investment **€420,000** in equity
 Stake **12.92%**
 Initial investment **January 2016**

2019 HIGHLIGHTS

In 2019, LITA posted strong business growth driven by increases in amounts raised, the number of transactions and the average investment. The company posted positive EBITDA one year ahead of schedule. LITA also launched a capital financing consultancy business aimed at making financial strategy a tool for scaling up the sustainable economy. The consultancy business covers four areas: fundraising, M&A, disposals and support for transition to an impact-oriented business model. In 2019, LITA Belgium raised €350,000 through investments by Flemish funds.

OUTLOOK

Although the capital financing consultancy business was temporarily halted by the Covid-19 crisis, the company expects to develop this business in 2020. Meanwhile, the crowdfunding business continues to thrive and has seen a surge of interest among retail investors eager to provide support to social enterprises. Only a few campaigns have slowed down, which shows a healthy capacity for resilience in face of the crisis. LITA is providing support to its portfolio companies to help them weather the storm. It aims to become the first impact neo-bank to offer a comprehensive range of life insurance, asset selection and online savings management services.

WORD FROM THE ENTREPRENEUR

"In 2019, LITA.co laid the foundations for its future. In addition to the growing community of investors and impact entrepreneurs, we have reached the profitability threshold. This will guarantee the company's development over the long term. We're at the fifth year turning point, the age of maturity as they say. Phitrust has contributed to the success of our adventure: it is a shareholder that places impact and human considerations at the centre of its support strategy. With Phitrust, it is easy to share both successes and failures."

Eva SADOUN and Julien BENAYOUN
 Co-founders and directors

SOCIAL AND FINANCIAL PERFORMANCE

Social and environmental impact

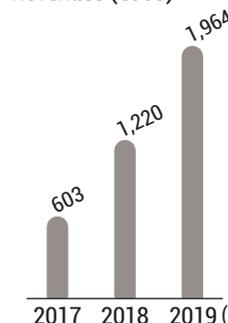
5,112 investors
 111 in 2015

€35 million raised
 €0.56 million in 2018

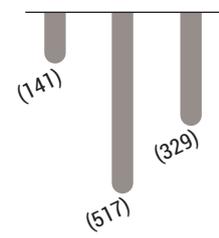
98 social enterprises funded
 3 in 2015

Financial performance

Revenues (€000)



Profit/loss (€000)



ISF SOLIDAIRE PORTFOLIO

VARIABLE CAPITAL SIMPLIFIED JOINT STOCK COMPANIES CREATED BY PHITRUST PARTENAIRES TO FUND PROJECTS UNDER THE TEPA ACT. PHITRUST PARTENAIRES HOLDS 3.6% OF THE COMPANY'S SHARE CAPITAL.

OVERVIEW

31/12/2019



Inclusion and disability



Financial inclusion



Impact journalism



Above expectations



Meets expectations



Below expectations

Company	Aim	Region	Stake	Equity (€000)	Loan (€000)	Total invested (€000)	Rev.	P/L	Impact	Main impact indicators	Page
 Ecodair EA/EI	Inclusion of mentally disabled persons in the workforce by reconditioning IT equipment	France	15.5%	30	0	30				67 disabled persons employed in 2018	23
 Reporters d'Espoirs SARL	Information agency specialising in publishing solutions-oriented content	France	4.5%	150	0	150				30 million people reached by positive information	44
 TagPay SA	Mobile payment technology for persons deprived of banking services	Global	3.3%	230	0	230				1,013,918 active users	27
TOTAL				410	0	410					

REPORTERS D'ESPOIRS



Reporters d'Espoirs, a pioneer of solutions-oriented impact journalism, works with the media to cover environmental, economic and social challenges and the solutions implemented to resolve them, in order to reflect the complexity of the world and encourage citizens, businesses and local authorities to act.



La France des Solutions 2019.

Our investment
€150,000
in equity

Stake
4.5%

Initial investment
June 2009

2019 HIGHLIGHTS

In 2019, Reporters d'Espoirs celebrated its 15th anniversary by organising the 10th Reporters d'Espoirs Awards. In terms of education, a training offer in solutions-oriented journalism was set up in partnership with the ESJ Pro school of journalism. In terms of innovation, the year was marked by the successful launch of the "Donne-moi une bonne nouvelle" (Give me some good news) app on Google Assistant. The app attracted 60,000 users immediately after its release. Reporters d'Espoirs organised a civil consultation procedure with Make.org, France Info, La Croix, La Voix du Nord, L'Obs and L'Express. Under the banner of "How can the media improve society?", the survey clocked up 104,000 participants, 270,000 votes and 1,605 proposals. Lastly, the 7th La France des Solutions congress was hosted by the Economic, Social and Environmental Council (ESEC) and attended by 50 media partners. The event was praised for its quality and maturity.

OUTLOOK

In April, Reporters d'Espoirs launched the "La France des Solutions, Tous Mobilisés!" campaign to encourage the media to report constructive initiatives in response to the Covid-19 crisis. The association continues to publish inspiring content on Google Assistant. An authoritative book on solutions-oriented journalism will be published by Actes Sud in July. A survey on media coverage of climate issues accompanied by a MOOC will be disseminated during the year. In September, Reporters d'Espoirs will launch an online platform that will showcase the best info-solutions and initiatives. This digital project is supported by Google, the French Ministry of Culture and the "1% for the planet" movement. The Prix Reporters d'Espoirs awards have been postponed until October to coincide with the La France des Solutions event.

WORD FROM THE ENTREPRENEUR

"At this time when our country and the rest of the world prepare for life after the crisis, hope is more than ever before an essential value to be espoused collectively and manifested in tangible actions by spreading awareness of solutions-oriented initiatives. Through their power to influence and spread news, reporters and the media can lead citizens towards inspiration, commitment and action. And this goal is the driving force behind Reporters d'Espoirs. We are happy to receive advice and support from Phitrust, which shares our vision of an economy serving the common good."

Gilles VANDERPOOTEN
Director

SOCIAL AND FINANCIAL PERFORMANCE

▼ Social and environmental impact

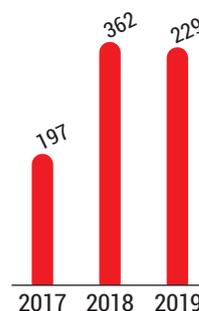
50
media partners
33 in 2016

3,115
event participants
2,000 in 2016

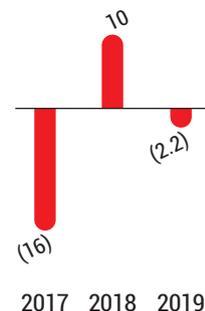
30 million
people reached by the media
23 million in 2016

▼ Financial performance

Revenues (€000)



Profit/loss (€000)



PHITRUST DIVESTMENTS

Phitrust Partenaires, Phitrust Partenaires Europe and ISF solidaire have already carried out 10 divestments, including one partial redemption. 5 out of the 36 portfolio companies have filed for bankruptcy.

PHITRUST PARTENAIRE							
Divestment type	Company	Business	Investment (€000)	Divestment (€000)	Year of entry	Year of exit	Social impact at exit
Full divestment/ Bankruptcy	Wirecom	Smart technology for controlling energy in buildings and homes	350	175	2010	2011	Upgrading of 75,000 m ² to HEQ standards
Partial divestment	I&P Développement	Investment fund	500	195	2006	2012	2000 jobs created
Full divestment/ Change of business	Durable	Solidarity and sustainable development	200	223	2007	2012	€100,000 donated to non-profits
Full divestment/ Sale to European distributor	Alter Eco	Fair trade and organic	528	197	2006	2013	8,021 tons of CO ₂ offset Additional 51% paid to producers versus market
Full divestment/ Bankruptcy	Websourd	Technologies for the deaf and hard of hearing	300	150	2010	2015	1,000 active video-interpreting accounts
Full divestment/ Sale to Chênelet non-profit	Chênelet SPL	Manufacture of wooden pallets	100	0	2011	2016	306 work reintegration jobs, 56% dynamic outcomes
Full divestment/ Closure of business	Isomir	Farm and craft food processing	100	73	2010	2016	780 feasibility studies for setting up processing workshops 35 production workshops set up
Full divestment/ Sale to founder	Dialogue Social Entreprise	Disability awareness	133	142	2010	2016	702 disabled persons employed 4,952,049 people sensitised to disability
Full divestment/ MBO for €1	Cameroun Breuvages	Production and sale of drinking water	280	0	2009	2019	8 million packs of drinking water sold 30 direct and indirect jobs created

PHITRUST PARTENAIRE EUROPE							
Divestment type	Company	Business	Investment (€000)	Divestment (€000)	Year of entry	Year of exit	Social impact at exit
Full divestment/ Bankruptcy	Tale Me	Clothing rental services for children and pregnant women	200	0	2017	2018	6 work reintegration jobs 156 tons of CO ₂ emissions avoided

PHITRUST

ACKNOWLEDGEMENTS

MANY THANKS TO ALL THOSE WHO INVEST TO ACT ALONGSIDE PHITRUST IN SUPPORT OF ENTREPRENEURS!

We thank the members of the Investment Committee for their commitment in selecting, investing and supporting our portfolio companies.

We thank the shareholders of Phitrust Partenaires and Phitrust Partenaires Europe and all those who have donated to the Phitrust Endowment Fund.

In order to provide financial and human support to social entrepreneurs in whom we believe, as they share a vision that includes society, we have been supported by a large number of French and foreign individual and professional investors. They are investors in many senses of the word: financial of course, but also and above all in terms of skills, as they play a vital role by sitting on our investment committees and providing long-term guidance to our entrepreneurs. Many thanks to all of you! Understandably, we cannot name all of our investors in this publication. Therefore, we will mention here just a few of our institutional investors: BNP Paribas, Natixis PE and Mirova, the European Investment Fund, Caisse des Dépôts, Banque des Territoires, Crédit Coopératif, Fondation Caritas France, Fondation Roi Baudouin, Fondation CA Indosuez, Fondation Notre Dame, Fondation Carasso and Fondation de France.

Network partners

European Venture Philanthropy Association (EVPA), Le French Impact, Finansol, Le Mouves, Ashoka, ESSEC, Tech for Good France and Antropia.

JOIN US AND TAKE ACTION TO SUPPORT SOCIAL ENTREPRENEURS ALONGSIDE PHITRUST PARTENAIRES: THEY NEED FUNDS AND ADVICE TO MEET THE CHALLENGES OF TODAY'S SOCIETY.

www.phitrust.com

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PHITRUST

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