

Quasi-equity Boost your social impact

ERSTE 
Social Finance

Scale up your impact

We support

Does your organisation plan to scale up its impact?

Do you wish to introduce **new social products or services**? Or do you want to reach out to more beneficiaries and communities by **opening new branches**, or building up a **franchise network**?

Is launching **digital transformation** essential for your operations?

Do you intend to acquire a **social infrastructure** property or develop a **social housing project**?



New branches & franchise



New products and services



Digitalisation



Covid-19 recovery



Kindergarten



Elderly homes



Care



Social housing

We are aware that grants, subsidies and donations usually support growth only to a limited extent. At a certain point, social sector players need to **manage the transition from being grant-dependent to becoming more self-sustaining**.

This requires **expanding social activities to benefit from economies of scale**. Large investments are usually needed to move the organisation to the next level.



Social enterprises, non-profit or non-governmental organisations:

- 1
- 2
- 3

with a proven business model
operating at break-even level
with proven and measured social impact



Social housing and social infrastructure projects:

- 1
- 2
- 3

plot of land identified
cost assessment
business and repayment plan



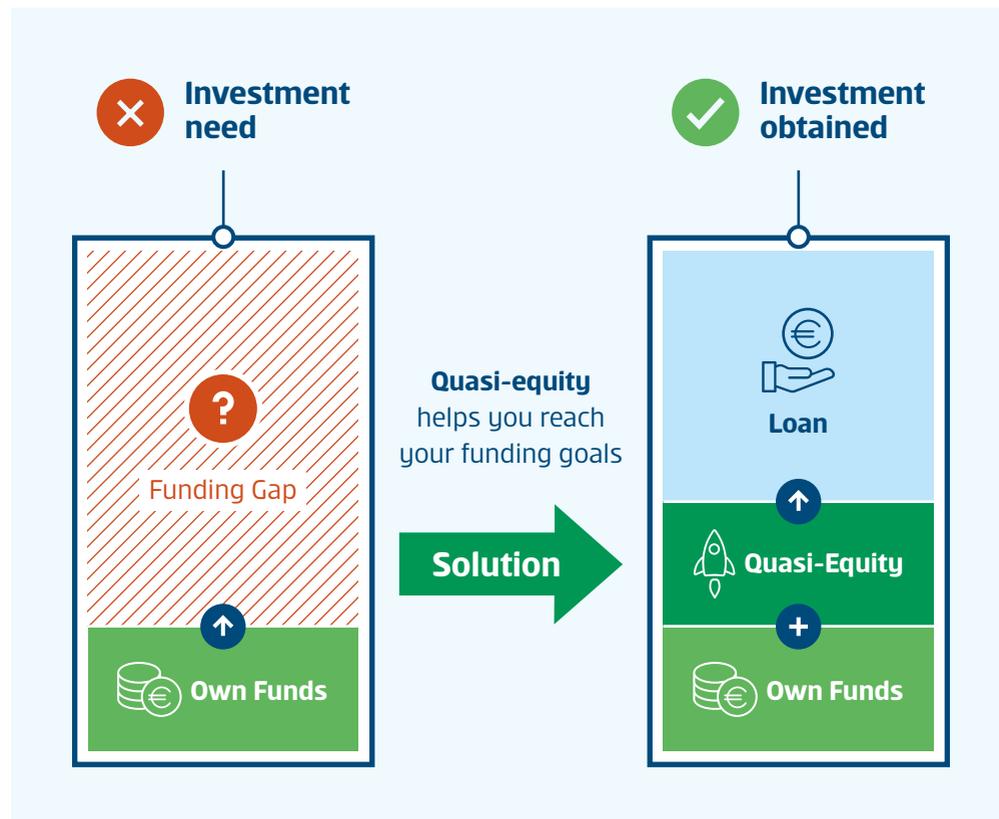
Quasi-equity

Your benefits

Quasi-equity in the **form of a subordinated loan** boosts your capital base with no changes to the ownership structure and no interference in operative management. It **improves your financial and risk profile** and thus helps to **attract additional loan funding**.

It is provided at a **fixed interest rate** for the agreed contractual maturity and offers an **individual repayment schedule**. Quasi-equity is subordinated, which means it is the last loan to be repaid in case of bankruptcy.

- ✓ **Covers up to 30% of planned investment** and enables additional financing via Erste Group banks
- ✓ **Strengthens your capital base and risk profile** to attract additional funding
- ✓ Allows a **flexible repayment schedule**, customised to your investment needs
- ✓ Provides **additional know-how support**, individual coaching, consulting and/or mentoring by Impact Hub network and professional partner organisations
- ✓ Offers **competitive pricing** compared to equity investments
- ✓ **Benefits from a guarantee** funded by the European Union under the Programme for Employment and Social Innovation (EaSI)



Erste Social Finance

Erste Social Finance was established as a joint venture between Erste Group Bank AG and ERSTE Stiftung (ERSTE Foundation), in line with Erste Group's stated purpose of disseminating prosperity and providing access to financial services for all.

Its main activities include investing into sustainable social business models and the launching of innovative social finance instruments in Central and Eastern Europe.



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