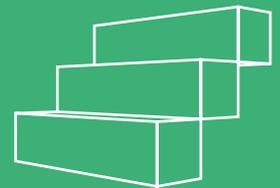


**BIG
ISSUE
INVEST**

Impact Report
2022/23



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Welcome

Welcome to the Big Issue Invest 2022/23 Impact Report A joint statement from our CEO and Chair.

This report showcases the work of Big Issue Invest between April 2022 and March 2023 in what has been another challenging year for everyone, and especially for the worst off. We started the 2020s with a pandemic, faced numerous lockdowns, then the impact of the war in Ukraine culminated in a cost of living and energy crisis, and rising interest rates. Each fresh challenge has further compounded the previous difficulties and stretched already strained systems, organisations, and people. What has also become abundantly clear is that social inequality amplifies the consequences of these systemic crises on the lives and livelihoods of the most disadvantaged members of our society, literally costing more lives and pushing millions more into poverty.

At Big Issue Invest we want to create a world that works for everyone, and we believe social enterprises are the key to unlocking social and economic opportunities that can make this possible. Over the past year the organisations we have

been supporting have worked tirelessly to adapt and expand operations to meet the growing need for their work across the most deprived areas of the UK. These businesses provide critical impact services at affordable or no cost to those most in need: for instance, training and mentoring to help long-term unemployed individuals find decent jobs, providing counselling and group therapy sessions to people suffering from mental health conditions, or building social housing. This work not only improves the lives of people accessing the services, but their families, communities, and society.

With each challenge our sector has faced, the organisations we support have responded to it by reaching out to serve more people than before, on tighter resourcing. As a social enterprise ourselves, we know first hand the strains of service delivery. We are exceptionally grateful to all the organisations who chose to work with us during the year. We remain at their service.



Danyal Sattar
CEO, Big Issue Invest



Warren Taylor
Chair, Big Issue Invest

We back social enterprise

As a social enterprise, we recognise the hurdles our investees face in responding to these unprecedented social challenges – we face them too. We are determined to lower these barriers in the following ways:

1

We provide the spectrum of capital tailored to the needs of each social enterprise, from running accelerator programmes that launch and scale future social pioneers, to providing impact loans that cover day-to-day financing, to growth capital through our various funds.

2

We complement this funding with our "More than Money" approach, supporting the organisations we finance to grow and thrive by providing technical assistance, governance advice and linking into our networks and the wider Big Issue Group activities.

3

We aspire to have an equitable and expansive social investment sector that supports the critical work of social enterprises. We reach out to traditional investors to increase the financial capital we have to invest in the sector. We highlight the great work of our portfolio organisations in the form of impact reports and marketing campaigns, demonstrating the effectiveness of the social enterprise model.

Ultimately it is about the critical work that charities and social enterprises are doing today to support the most vulnerable members of our society to the benefit of us all. Our goal is to make your jobs a little easier, so that you can focus on the important work of delivering social impact.



Image from one of Big Issue Invest's previous investees, London Early Years Foundation

2022/23 in numbers

140

Social enterprises supported

94%

of investees contributing to core solutions to poverty¹

The Top 5 UN Sustainable Development Goals contributed to by our investees were:

31%

3 GOOD HEALTH AND WELL-BEING



16%

11 SUSTAINABLE CITIES AND COMMUNITIES



15%

8 DECENT WORK AND ECONOMIC GROWTH



15%

4 QUALITY EDUCATION



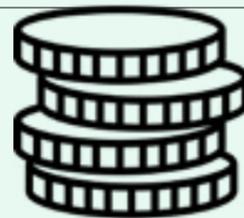
9%

10 REDUCED INEQUALITIES



£45,030,000

Assets under management



1.5 million

People supported by our investees²

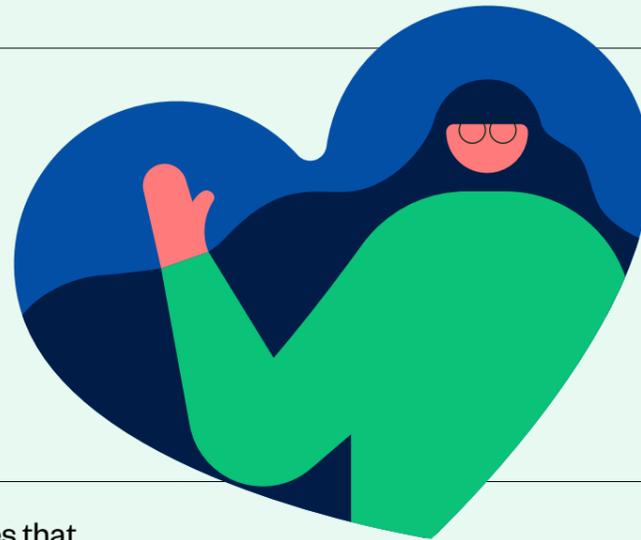
62%

of investees are working or based in the top 40% most deprived areas in England³



Image from one of Big Issue Invest's investees, Big Creative Education

Who we work with



85%

of our investees are legally structured as social enterprises⁴

Our aim is to support and invest in businesses that are focused on delivering positive social impact and actively address poverty and social inequality. We believe that social business is key to creating change, yet often these types of organisations are overlooked by more commercial investors and do not have access to capital to effectively build and scale.

Most of our investments have sustainable sources of revenue

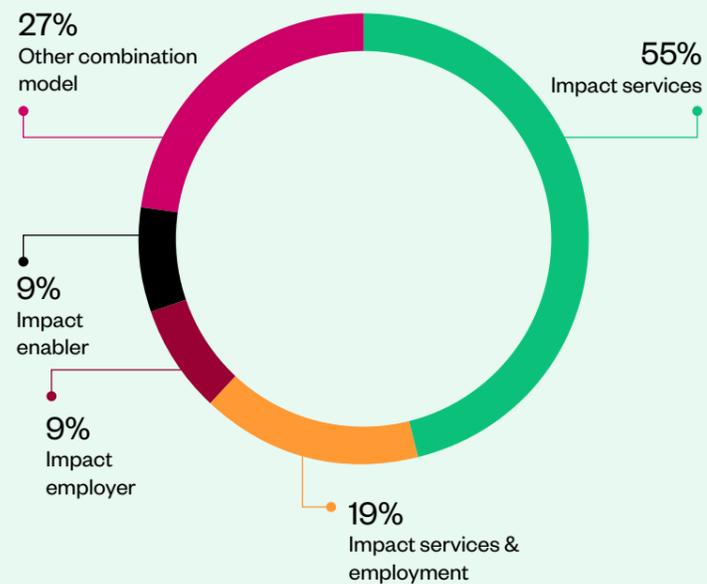
They have established sources of income and are not reliant on grant funding or donations, which may fluctuate year-to-year. As part of the investment we help our clients build financial resilience and develop sustainable revenue streams. On average, our investees employed 38 full time employees and generated turnover of over £2.1 million.²

Number of investee companies whose sources of income include one of the following:²

Selling to consumers	49%
Selling to businesses	42%
Grant income	42%
Selling to government	25%
Donations	21%
Selling to the NHS	9%
Solely donations or grant income	9%

Investing in a variety of impact models

Our investees deliver social impact in a variety of ways. We are not set on investing in one particular type of impact model or business model – we assess how the organisation drives social change and its financial viability on a case-by-case basis.⁵



- **Impact services:** providing training, advice, products or services that tackle social issues and improve outcomes directly to people and communities in need.
- **Impact employment:** providing employment opportunities to people in your business who would otherwise struggle to access decent work
- **Impact enabler:** supporting other businesses to generate impact by providing facilities or other resources, or by improving their systems or policies.
- **Impact services & employment:** a hybrid approach of working with people and communities in need, while also providing employment opportunities
- **Other combination model**

Investment Spotlight

Chocolate Films



Chocolate Films is an independent, full-service video production company and a social enterprise. All the profits made through production go towards funding their in-house workshop programmes, with the aim of empowering young people to express themselves through film.

■ Funding from Big Issue Invest has enabled Chocolate Films to set up their own studio: previously workshops were being delivered in community centres or schools, but in early 2023 Chocolate Films moved into the new Nine Elms Studio, a bespoke space set up specifically for filming, photography and workshops.

“The Big Issue Invest team didn’t just offer us swift and fair financial solutions, they were passionate about the work we do and they really believe in us.”

Rachel Wang
Director of Chocolate Films

Chocolate Films currently works with

 **3,000**
young people every year.



Supported through the entire investment journey

Investees say:

“BII has been a pivotal support for our budding social enterprise. Michael Burns, our point of contact, upheld BII's promise of assistance, even when we initially lacked trading experience. Over the past year, Michael stayed in touch, monitoring our progress, and advising when the time was right to apply for a loan. His dedication and guidance were invaluable, culminating in a successful application.”

Rachael & Steve
Directors of the Inside Academy CIC

Organisations applying for investment receive ongoing assistance from one of our Investment Managers throughout their investment journey, from initial contact to completing repayment.

1

Initial contact

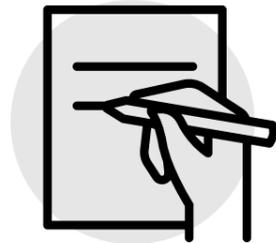


We listen to the founders and learn about what challenges the organisation is facing so we can guide them to the right support. *“Most initial interactions start with a chat about the organisation's aspirations, their impact and finances. By understanding these, we can direct them to the most suitable support.”*

Michael Burns,
Investment Manager

2

Application



We ask the organisation to put together a business plan and a financial forecast. We recognise that not every organisation may have the resources or time to prepare the required documents, so we may help them to get funding from the Reach Fund, which provides grants of up to £15,000 for technical assistance. If we see that the organisation is not ready for the investment just yet, we stay in touch and provide support until they are investment-ready.

3

Due diligence



In this collaborative phase we really get to know the organisation. We assess the organisation's impact, business model and governance. We jointly agree on how to address any potential risks and define loan conditions and monitoring requirements during the investment period. As each application and assessment is unique, questions and follow-ups will vary from case to case with the aim to ascertain the viability of the business, the feasibility of its plan, and the strength of its governance and management.

4

Investment decision



The application goes through a peer review from another investment manager before being presented to the Investment Committee. It's a streamlined process for applicants: there's no requirement to attend the Investment Committee meeting and the decisions are typically communicated shortly thereafter. After confirming the approval, our Investment Managers will finalise the loan agreement with the applicant.

5

Investment



Throughout the investment period, the investee can expect regular catch ups with the Investment Manager to monitor and celebrate milestones, as well as to address any challenge they encountered. Understanding that challenges are inherent in any journey, our approach remains flexible, adaptive, and always in the investee's best interest.

6

Repayment



We strive to ensure a beneficial repayment process for the investee. We also direct them to follow-on support or investment from other funders in the sector and champion their achievements on our media platforms. Once the investment has been repaid, we hope to stay in contact.

Where we invest

In 2022/23 we made additional 23 investments, bringing our outstanding assets under management to a total of £45 million.

The scale of impact delivered by our investees ranges from the local to the international, with:

69%

of investees focussing their impact at a local level (within their local community, local authority or multiple local authorities);

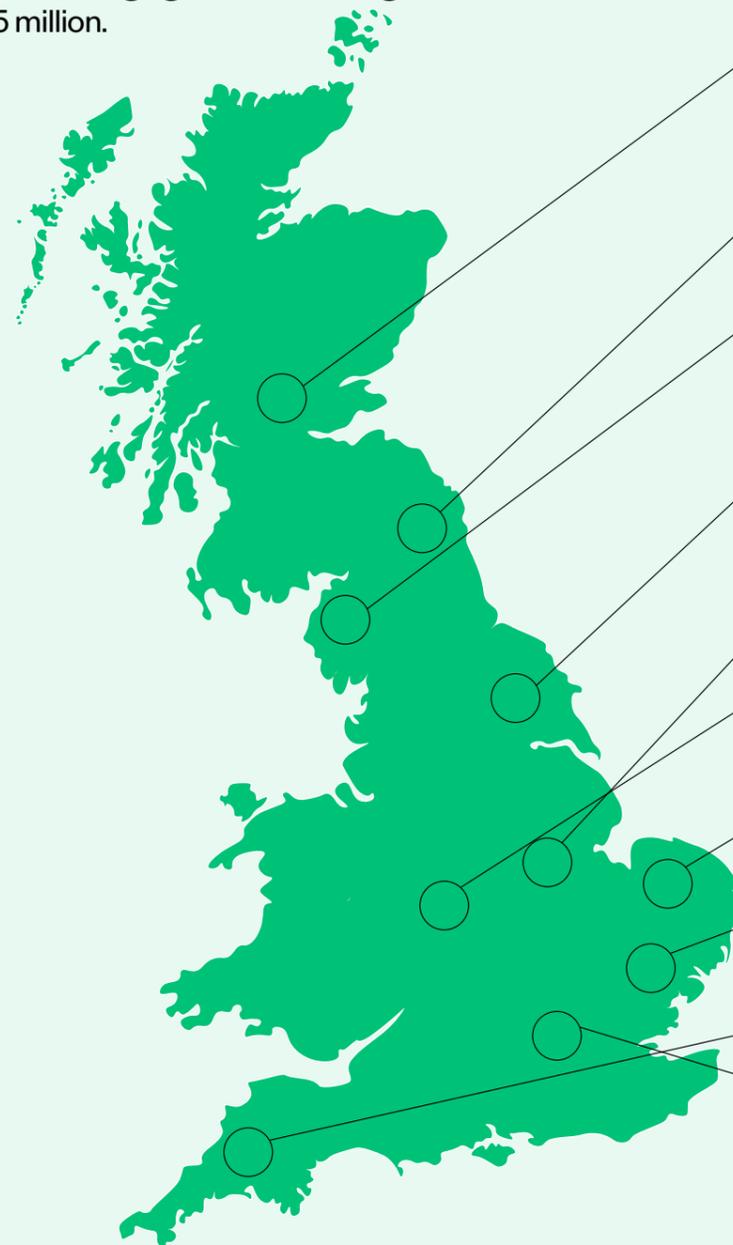
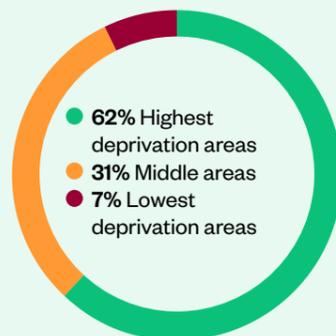
13%

operating regionally covering one or more regions across the UK; and

18%

operating across the whole of the UK and/or generating impact internationally.

Where our investees have impact:³



Scotland	18 investments	11% of portfolio value
North East	14 investments	5% of portfolio value
North West	14 investments	8% of portfolio value
Yorkshire & the Humber	7 investments	5% of portfolio value
East Midlands	5 investments	1% of portfolio value
West Midlands	8 investments	14% of portfolio value
East of England	7 investments	1% of portfolio value
South East	10 investments	3% of portfolio value
South West	15 investments	4% of portfolio value
London	42 investments	49% of portfolio value

Investment Spotlight

Think Forward



Think Forward deliver unique, personalised coaching programmes for young people who need support to transition from school and into work by working closely with employers.

■ Funding from Big Issue Invest helped to cover many of the upfront and overhead costs when Think Forward decided to scale up the work they deliver and number of young people reached, removing the risk of any undue financial strain on the programme.

“We would definitely recommend BII, we have had an excellent experience with them. We found them to be very well matched to our values, we felt that they were driven by our mission, and they allowed us to lean into the things that were really important.”

Ashley McCaul
CEO of Think Forward

Think Forward work with around

350

young people at any given time.

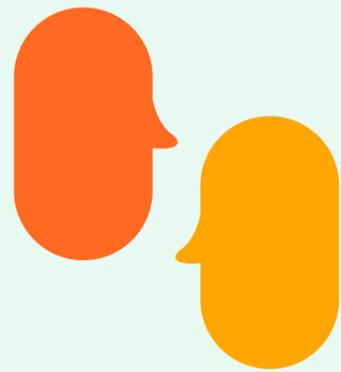


Our approach

Interview with Holger Westphely, Head of Lending Team

What is the most rewarding thing about your job?

The people. It is a pleasure to work with such smart, highly qualified, and experienced people at Big Issue Invest, all focused on supporting the organisations that come to us to achieve their impact. Our shared mission is unique in the workplace especially in the finance world. Also, it's deeply rewarding to work with social entrepreneurs looking to drive social change – especially when things don't go to plan, and you have to work together to figure out a way of dealing with challenges.



How do you support social enterprises?

At the highest level, our role is to provide funding that meets the different business needs, be it working capital requirements or to support an asset purchase. The added value is in providing more than just financing, it's the whole investment journey including the due diligence process. We know it is a stressful and onerous process, but the organisations that go through it have found it an incredibly helpful process encouraging them to think about the key success factors we look at. These cover their financial management, social impact, and governance and may not necessarily be how an entrepreneur looks at their business as they are focused on the job of day-to-day delivery. Not everyone will be investment ready the first time they go through the process. Then it is an iterative process, the organisation perhaps taking on our advice, doing a bit more thinking and coming back six months down the line when investment may be more appropriate.

How are you helping social enterprises through these challenging times?

We know things are not easy right now for social enterprises and the people they work with. We are working to keep our rates roughly at the same level despite surging interest rates, whilst also making more patient capital available, which has the benefit of enabling borrowers to repay over a longer period of time and keep monthly repayments low.

At Big Issue Invest we pride ourselves on our flexibility. When things go wrong, we stand alongside the organisation and explore all possible options including restructuring the deal, offering repayment holidays etc. to support the organisation in managing their debt. This goes far beyond what a commercial lender might do, for instance recalling their debt despite it damaging the client's business viability.

What do you find exciting about the future of the team and the Lending practice?

We have worked with hundreds of social enterprises over the years, so we know what the sector needs are. We are working with current and new funders to design products and programs that provide the range of support needed with tangible results. Over the next few months, we are launching several new programs that intend to cover a wide range of lending amounts, essentially supporting the entire client journey from launching an enterprise through to scaling of their social impact.

We are also working with sector partners to build ecosystems for social enterprises around the UK, bringing together packages of relevant support for social entrepreneurs to tap into as and when needed, including business advisors, consultants and grant funders.



Impact of our investees

Over 2022/23 we have worked with 140 social enterprises, who in turn have worked with over

1,500,000

individuals across the UK.²

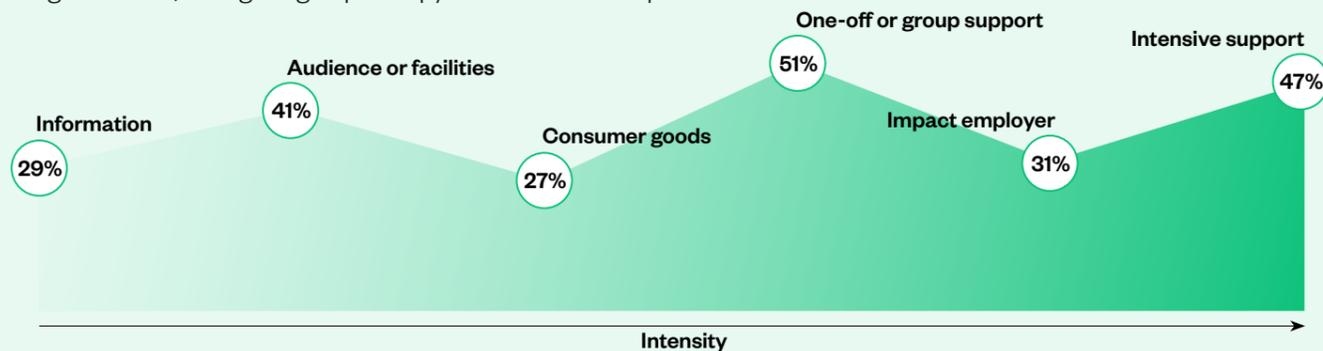


The investees are targeting the following outcome areas (by number of investees):

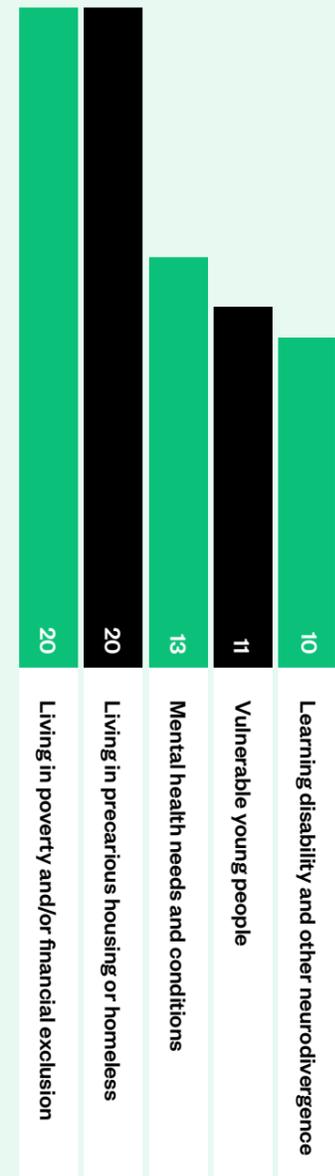


Impact intensity (% of investees)

Our investees' impact engagement ranges from digital information services which reaches an audience of many but is lighter-touch, through to group therapy and much more impact intensive services such as individual care services.²



The 5 primary groups of people supported by our investees include (by number of investees):



Investment Spotlight

World Heart Beat



World Heart Beat (WHB) was founded in 2009 with the mission to provide young people access to great musicians, great leaders and great teachers regardless of background, and to help them on their journey in life.

Funding from Big Issue Invest has enabled WHB to secure a building for the next 50-years, where they were previously on an insecure rolling one month lease. WHB has also more than doubled its number of staff, meaning more children are being supported and more impact is being delivered.

“For us, Big Issue Invest have been critical. They’ve been kind, they’ve been generous, they’ve been helpful. They understand the social context of each organisation and that’s essential. Big Issue Invest were fantastic and I can’t recommend them enough.”

James Gero
CEO of World Heart Beat

World Heart Beat worked with more than

2,300

young people in the last year.



Range of funding programmes

🔍 DID YOU KNOW

Patient capital is when the investor is willing to forgo maximum and/or immediate return for social impact. There is a greater tolerance for risk than traditional investment capital, longer time horizons and intensive support of management as they grow their business.



Our investments are designed around each organisation's needs and business model. We are on hand to help: from technical support such as impact evaluation, to connecting investees with relevant peers and partners in their sector.

1

Accelerator Programmes



to support and develop early-stage social ventures

Our social venturing programmes connect entrepreneurs with expert mentors. We also provide training to innovate, test and launch new projects. The programmes run for three to four months and at the end, the ventures can pitch for up to £50,000 in patient loan funding to launch their projects and scale their social enterprises.

2

Social Impact Loans



to establish and grow sustainable business models

We lend to charities and social enterprises, who typically would not be able to access traditional sources of finance because they do not have profit-driven business models or assets, like property, that can be mortgaged. We provide patient finance that can cover shortfalls in cashflow, finance working capital and other investment to enable the organisations to develop and grow sustainable revenue streams.

3

Growth Capital



to drive growth and innovation of social purpose organisations

We work with organisations that have established steady revenue streams and are now looking to scale their work, for example through targeting new geographies or providing new products. This may require substantial capital which the social enterprises would be unable to fundraise from traditional investors. Big Issue Invest funds these projects through loans and mortgages, as well as equity and quasi-equity investments, such as a revenue-share contract.

4

Outcomes Investing



to facilitate results-led commissioning of public services

Big Issue Invest's Outcomes Investment Fund has been instrumental in the design and funding of social outcomes contracts. Through this innovative approach, social enterprises can design support around people with complex needs to help them achieve particular social outcomes, such as gaining employment or a training qualification. In turn, public services commissioners pay only for results achieved.

Quality of service

We asked our investees about how our support has impacted their businesses and how likely they would be to recommend us. Our clients' feedback is essential in helping us improve our work.²

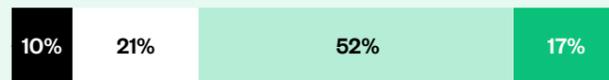
Organisational Resilience – how has Big Issue Invest helped organisations improve their resilience through investment and non-financial support?

More than three quarters of our investees state there has been an improvement in their organisational resilience as a result of Big Issue Invest's investment and non-financial support. A quarter of the investees surveyed have reported substantial improvement in resilience and ability to plan for the future.

Change in resilience



Financial self-reliance



Ability to plan for future



Ability to withstand short term shocks



Key

- Decrease
- No change
- Increase / improvement
- Substantial increase / improvement

Impact Growth – what has been the change in the level and nature of the organisations' impact as a result of Big Issue Invest's support and investment?

9 out of 10 investees have experienced improvement in the level or nature of their organisation's impact as a result of Big Issue Invest's support and investment. In particular, more than a quarter have seen a substantial increase in the number of impact users. Only 1% of respondents stated a decline in the number of users.

Overall social impact



Number of impact customers



Type of impact customers



Quality of outcomes



72%

of investees said that "BII was essential in achieving our organisational goals"

9/10

of investees have experienced improvement in the level or nature of their organisation's impact as a result of Big Issue Invest's support and investment

79%

of investees are highly likely to recommend Big Issue Invest

74%

of investees are highly likely to recommend social investment

Driving systemic change in the sector

Launched in December 2022, the Growth Impact Fund (GIF)⁶ exists to tackle inequality in the UK by backing diverse social entrepreneurs and investing into early and growth stage organisations developing innovative solutions to inequality. Through GIF we are addressing some of the key challenges faced by social entrepreneurs with our core commitments:

The need:
More diverse representation of decision makers

Limited representation among investors leads to biased decision making on who does and doesn't receive investment.

"I got to an all-male investment committee and they didn't understand the market need for a female safety tech product"

The need:
Accessible investment process

The jargon used in social investment prevents many founders from applying for investment. Pre-investment support is sometimes available to help, but often isn't sufficient.

"I've never considered social investment for my business because no one has explained it without jargon before"

The need:
Appropriate social investment products

The most widely known and available social investment product is debt, which has negative associations for some people including a sense of pressure to meet repayments. Founders who have applied for equity felt that investors often expected unrealistic growth.

"I feel like I don't know where the doors even are for investors, let alone which doors to knock on"

The GIF commitment

- We have a diverse investment team, Impact Advisory Committee and Impact Advisory Group, who ensure our commitment to our diversity, equity and inclusion targets and our impact goals.
- Ambitious targets to reach and invest into underrepresented founders and organisations across all regions of the UK.

The GIF commitment

- We have simplified our website and application form based on feedback from applicants.
- We run regular information sessions that explain our eligibility criteria, the investment products we offer, and what we look for in a pitch deck and financial model.
- We provide Technical Assistance grants for some organisations to prepare for investment.

The GIF commitment

- Patient and flexible funding of £50,000–£1,500,000 to support organisations in realistic and sustainable growth of their impact.
- We offer different products (equity, revenue sharing and patient debt) to suit organisations of all types and stages.

The need:
Building trust

Founders want a long-term, human relationship with an investor. Founders don't always feel that investors understand the way they deliver social impact, or the market they're operating in. Investors aren't transparent enough about how they make their investment decisions.

"The process for another fund I applied to was unclear, I didn't know what they expected from me"

The GIF commitment

- Dedicated one-to-one support from a portfolio manager throughout the investment journey.
- Pro bono legal support for founders at the stage of reviewing and signing the investment contract.

READ MORE

For more information, you can read and comment on our [blog here](#). You can see our [eligibility criteria and apply for funding here](#).

Investment Spotlight

Neuropool



A neurodiverse talent platform established by Jack Dyrhaug, an Autistic/ADHD founder, to support neurodivergent people into employment via tailored mentoring, job coaching, and specialised inclusive recruitment.

■ The organisation works with universities, employers, and government bodies to connect candidates to quality jobs and promote inclusive hiring practices, and aims to support over 10,000 neurodivergent people into employment by 2030.

"We have set ourselves an ambitious but achievable target, of getting more than 10,000 into employment over the next seven years and that is only the start! We are proud of the progress that has been made so far and with the funding from the Growth Impact Fund and its underlying investors, we can really accelerate everything."

Jack Dyrhaug
CEO, Neuropool.



£300K
Equity



Pushing for social equality

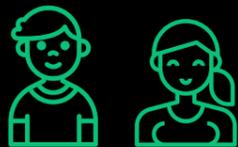
We believe equity and justice are necessary to achieve social equality. We do not see anyone as ‘hard to reach’, and back the extraordinary organisations who can be overlooked by the mainstream.

24%

of our portfolio is invested into organisations directly tackling inequality in the UK including organisations that work to improve health, education and employment outcomes in deprived areas.



In the coming years, we aim to grow our investments into high deprivation areas and into diverse-led teams and founders with lived experience of social challenges.



12%

of investees are specifically working with persons of an ethnic minority group, marginalised gender and/or from the LGBTQIA+ community.

Belonging

Inclusion

Diversity

Equity

Identity

Diversity, Equity and Inclusion at Big Issue Invest

As part of our continued efforts to improve diversity, equity and inclusion in our work, we have assessed our portfolio representation across the investees' leadership and board teams. We capture this data at the due diligence stage and then reconfirm it with our investees on an annual basis.⁷

Our BII Investment portfolio representation
(as of September 2023):



Diversity, equity and inclusion at Big Issue Invest

(as of August 2023)

This year we once again conducted our staff diversity, equity and inclusion survey, with the following key findings:¹⁰

1 Gender

The percentage of women was at 40% for staff team, 33% for Senior Management Team (“SMT”) and 37% for the Board (which also includes subcommittees such as for investment and impact).

2 Ethnicity

Big Issue Invest’s Black, Asian and minority ethnic representation is low at SMT (17%) and Staff team (14%) levels, while at Board level it is at 21%.

3 Disability⁸

The disability representation across the organisation is low with 87% of staff, 83% of the SMT and 95% of board identifying as “Not disabled”.

4 Lived experience and age¹¹

40% of staff members, 33% of SMT and 37% of Board have lived experience of a social challenge.

80% of the Staff team were between 20–49 years of age, which was 50% for SMT and 39% for Board.

5 Sexual orientation⁹

LGBTQIA+ representation within the Staff team is 27%, 17% at SMT level, and 5% at Board level.

6 Education and socio-economic background

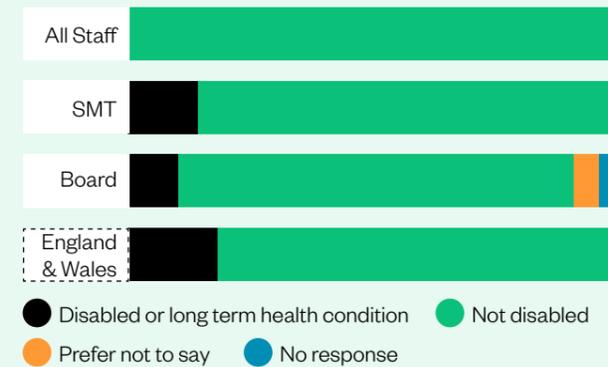
More than half of the Staff team and 60% of the Board members attended state-funded schools, while 50% of the SMT attended independent or fee-paying schools in the UK. People from professional backgrounds are overrepresented at Big Issue Invest, particularly at Board and SMT level. While 21% of staff come from working class or lower socio-economic background, it is almost half of the national average.

The full findings are outlined below, alongside the England and Wales national representation levels for comparison.

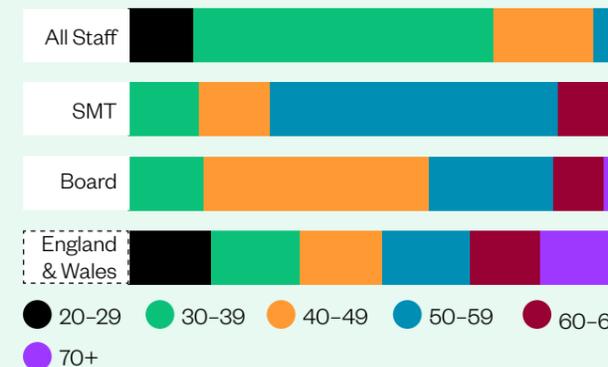
Gender



Disability



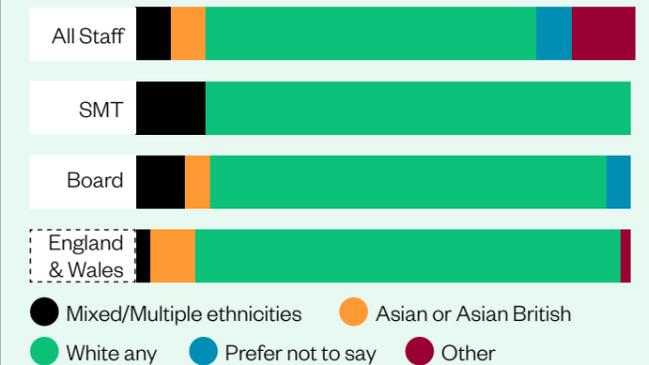
Age



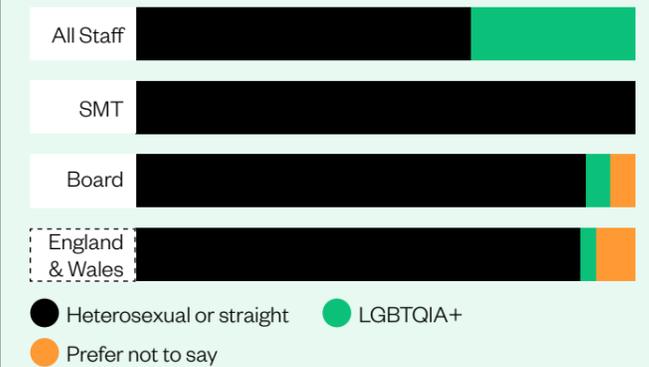
Lived experience



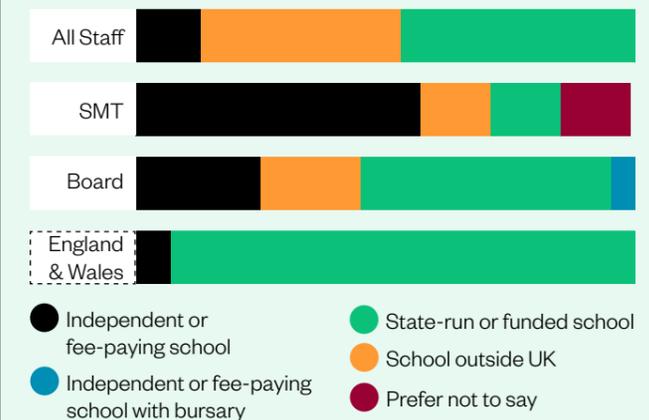
Ethnicity



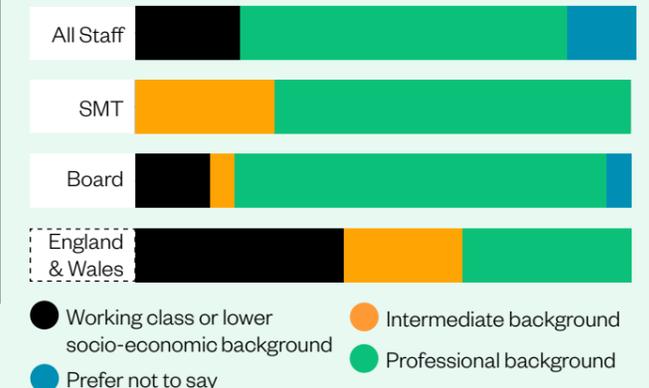
Sexual orientation



Type of school attended



Socio-economic background



All Staff excludes members of the Senior Management Team

England & Wales data sourced from Office of National Statistics, 2021 Census and Department for Education, 2023

Big Issue Invest's pay gap

For this report snapshot data was taken on 30/09/22



Mean gender pay gap as a percentage of men's pay has fallen slightly from 11% in 2021/22 to 9% this year. Median gender pay gap as percentage of men's pay has increased from 8% in favour of women to 11% in favour of men.

The highest to lowest pay ratio as at September 2023 was 5.06:1 in contrast to a ratio of 3.68:1 for the 2022/22 year. This change demonstrates a reduction in Big Issue Invest's pay equity, and closer to the 2021 levels of 5.29:1. Those receiving the highest level of pay at Big Issue Invest are 67% male, with 58% of staff are men.

Big Issue Invest's
2022/23 mean gender
pay gap is
9%
in favour of men.

Last Year:

Big Issue Invest's 2021/22 mean gender pay gap is 11% in favour of men.
Big Issue Invest's 2021/22 median pay gap data is 8% in favour of women.

Big Issue Invest's
2022/23 median pay
gap data is
11%
in favour of men.

Proportion of males & females in each salary quartile 2022/23

	Male	Female
Upper Hourly Pay Quarter	67%	33%
Upper Middle Hourly Pay Quarter	50%	50%
Lower Middle Hourly Pay Quarter	50%	50%
Lower Hourly Pay Quarter	67%	33%

Highest to Lowest pay ratio for Big Issue Invest:

5.06:1

Overview of our funds and projects in 2023

Fund / Project Name	Type	Total number of Investments*	Total Assets Under Management*
Early Stage Venturing	Accelerator and Loans Programme	35	£1,163,576
Access I	Loans Programme	19	£793,337
Access II	Loans Programme	57	£3,078,554
Social Impact Loans	Loans Programme	42	£3,587,710
Affordable Housing London	Loans Facility	13	£7,871,768
Social Enterprise Investment Fund II	Fund	15	£13,940,553
Outcomes Investment Fund	Fund	13	£6,747,540
Growth Impact Fund**	Fund	1	£7,846,793

* As at March 31, 2023

** Growth Impact Fund figure includes uncalled capital

Conclusion

Big Issue Invest has continued to tackle social inequality through impact investing during one of the most challenging economic environments, particularly for the worst off.

In 2023, Big Issue Invest worked with 140 organisations, 94% of these providing products and services that are core solutions to poverty. Our investees work across the country, more than two thirds are based in or working in areas of high socio-economic deprivation with 69% of our clients based outside London. Together they are reaching more than 1.5 million people in need across the UK.

Our philosophy is that social business is key to creating change. As such, we fund a broad range of business solutions, from highly intensive services such as one-to-one therapy or supported housing, through to high-reaching information services such as online guidance, as well as everything in between. Through designing the investment around the company and providing support before, during and after investment, we are helping our clients become more resilient and grow: 24% and 25% of our investees have stated significant increase in their resilience and impact, respectively, because of our work. We are proud to report that 79% of investees are highly likely to recommend Big Issue Invest.

A major hurdle for our sector is increasing diversity of founders and leadership teams that receive investment and how inclusive their products and services are. We are tackling this head on with the launch of the Growth Impact Fund. We are also continuing to improve our own Diversity, Equity, and Inclusion practices, with focus on internal training.

The core of the financial services industry is trust. We are deeply appreciative that so many organisations in our sector have chosen to trust us by taking investment from Big Issue Invest.

Notes and references

1. Core solutions to poverty

We define core solutions to poverty as aligning to one of the following United Nations Sustainable Development Goals:



2. Annual impact survey

We conduct an annual impact survey to all of our investees through the year, including investments that were exited within the reporting period. Information such as average number of full time employees, turnover and total number of people served by our investees and breakdown by primary source of income is based on the annual impact survey data. The survey was also used to capture feedback on our services, such as the improvements in organisational resilience and impact as a result of our support. The response rate to the 2022/23 survey was 50% (70 responses out of 140). This means there is 8% margin of error with 95% confidence level. All other data is based on full portfolio analysis.

3. Index of multiple deprivation

Highest deprivation deciles refer to deciles 1 to 4, middle deciles refer to 5 to 8 and lowest deprivation deciles refer to 9 to 10 of the Index of Multiple Deprivation, available [here](#).

4. Social enterprise

85% of investees have legal structure to support impact objectives: such as Community Interest Companies, registered charities, companies limited by guarantee or registered societies.

5. Impact models

Based on analysis of 86 investees

6. Growth Impact Fund

The Fund is a collaboration between UnLtd: The Foundation for Social Entrepreneurs, Big Issue Invest, and Shift.

7. Diversity, equity and inclusion of portfolio companies

Based on annual impact survey and data collected through due diligence process, with 74 out of 140 companies responding in total (53% response rate). This means there is 8% margin of error with 95% confidence level.

8. Disability representation

Disability is defined as per the UK Equalities Act 2010, available [here](#).

9. LGBTQIA+ representation

LGBTQIA+ is the acronym for Lesbian, Gay, Bisexual, Transgender, Queer (or questioning), Intersex, Asexual and other non-cis or heterosexual identities. BII takes definitions from Stonewall's glossary of terms when referencing LGBTQIA+ communities. More information [here](#).

10. Diversity, equity and inclusion survey at Big Issue Invest

England & Wales data sourced from Office of National Statistics, 2021 Census and Department for Education, 2023.

11. Lived experience

We defined Lived experience within the survey as: 'Lived experience means you or a close relation has been directly affected by a social challenge'.

12. Gender pay gap

The BII Gender Pay Gap analysis includes all staff members, and the gender breakdown is different to the results of the DEI survey as not all individuals submitted their responses. The pay gap is calculated using guidelines as set out by the Government Equalities Office.



Cover illustration by Jamie Portch

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