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## SITRA AND ME-SÄÄTIÖ ANCHOR THE FIRST SOCIAL IMPACT BOND IN FINLAND

Epiqus Occupational Wellness I, the first Social Impact Bond (“SIB”) in Finland and the Nordic countries, is now operational. The SIB aims to improve occupational wellness in the public sector. The first close investors are Sitra, Me-säätiö, and a private financial investor. The SIB is managed by Epiqus Oy. Grappling with a declining economic support ratio, Finland needs new solutions and innovations to deliver public services efficiently and effectively.

*Helsinki, Finland, November 10, 2015*– Social Impact Bond (SIB) is a form of impact investing where investors finance and carry the risk of an intervention to improve social outcomes. The public sector commissioner pays only for the results.

Epiqus, a specialist fund manager dedicated to impact investment, announces first closing of the first SIB in Finland and the Nordic countries. The SIB has been implemented as a limited partnership fund, *Epiqus Occupational Wellness I*. Anchoring investor commitments were provided by Sitra and Me-säätiö, complemented by a private financial investor.

*Jussi Savukoski, Managing Partner at Epiqus, said: “The deteriorating economic support ratio in Finland has created some urgency among public sector commissioners to find ways of reaching important social mission goals without assuming financial- or programme-risk. Outcomes-linked financing is becoming an increasingly important tool.”*

The proceeds will be invested in occupational wellness programmes provided to public sector employers in Finland over a three-year period. Thus far, co-operation has begun with Lounais-Suomen Maistraatti, Savon koulutuskuntayhtymä and Aleksia-liikelaitos (Nurmijärven kunta). The SIB initially covers 1,300 employees. The programmes are delivered by a panel of service providers initially consisting of Aino Health Management Oy, Tietotaito Group Oy, Trainers’ House Oy and Headsted Oy.

Me-säätiö is participating in this SIB because it believes that the model has wide applicability:

*Ulla Nord, the Managing Director of Me-Säätiö, said: “This project is a good example of a new and innovative way of improving well-being in our society. I hope that our example facilitates the creation of new SIBs especially in the core areas of our mission: social exclusion among children, the young and families.”*

Epiqus Occupational Wellness I continues to accept new clients and new investors. Minimum investment amount is EUR 250,000. Final closing is expected in the spring of 2016.

### **Impact is Measured in Sick Leave Days**

In this SIB, impact is measured in number of sick leave days. The goal is a reduction of 2.1 sick leave days per employee per year. If the goal is met, the public sector participants realise significant savings, part of which are returned via the SIB to the investors.

*Mika Pyykkö, Senior Lead, Impact Investing at Sitra, said: "Although the metric is sick leave days, this SIB targets material improvements in the occupational wellness and workplace well-being of the participants. This should become evident through quality of life improvements and more effective functioning of the employer organisation."*

The economic impact of sick leaves in Finland is approximately EUR 7 billion per annum. Within the public sector, sick leaves account for some five percent of total work time, translating to approximately EUR 2 billion per annum. Due to variations in bookkeeping practices between the sectors, directly comparable figures are not available.

## **The SIB Model Originates from the UK**

Sitra has been active in building an impact investment ecosystem in Finland for over a year now. It has worked on pilot-SIBs with other players, the most significant of which is the occupational wellness SIB now launched. Sitra has decided to commit up to EUR 1.5m into Epiqus Occupational Wellness I as part of its own mission-related activity.

The SIB model originates from the UK. It facilitates the use of private capital particularly for preventive interventions that the public sector often struggles to finance adequately. The international applications of the model include foster care, recidivism and long-term unemployment. The occupational wellness-focus of the first SIB in Finland is reportedly the first such application worldwide.



**Epiqus Oy**, the first regulated impact investment fund manager in the Nordic countries, manages capital to create measurable social and environmental impact alongside financial return. Epiqus dedicates 50% of its profits to social and environmental mission goals. Epiqus is AIFMD-registered, member of the Global Impact Investing Network, and signatory to United Nations' PRI. [www.epiqus.com](http://www.epiqus.com)

**Me-säätiö**, a foundation endowed by Ilkka Paananen and Mikko Kodisoja, is dedicated to reducing social exclusion and inequality in Finland, particularly among children, the young and families. The foundation actively seeks new innovative financing solutions for the social interventions that are at the core of its mission. [www.mesaatio.fi](http://www.mesaatio.fi)

**Suomen itsenäisyyden juhlarahasto Sitra**, is a future-oriented organisation that promotes Finland's competitiveness and the well-being of the Finnish people. Sitra's *New working life and sustainable economy*-theme area promotes workplace renewal and economic sustainability through novel operating and financing models. <http://www.sitra.fi/en/economy/impact-investing>  
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