

FAIRPHONE

Press Release: for immediate release

Fairphone surpasses investment target with €7 million from impact investors

Funding will enable social enterprise to expand R&D and grow sales in untapped markets

04.12.2018, Amsterdam, the Netherlands – after the success of a crowdfunding campaign on Oneplanetcrowd which closed in mid August, Fairphone was able to close a major round of investments totaling €7 million. The mission-aligned funding comes from existing Fairphone investors such as DOEN Participaties and PYMWYMIC, as well as new parties including the impact investors, PDENH, DALHAP, Quadia and the crowd investment of €2,5 million. Additionally Fairphone received €13 million in debt finance from creditors including the consortium of ABN AMRO and the Dutch Good Growth Fund. These investments, combined with the appointment of Fairphone's new CEO, Eva Gouwens, will provide the social enterprise with a stable foundation to sustainably scale up its operations, research new products and business models and expand sales efforts in untapped European markets.

Equity to finance company growth and supply chain innovations

The equity raised as part of the crowdfunding campaign and investment round will be used to finance Fairphone's growth, production and social impact aspirations in the years ahead. Specifically, as part of its scale-up trajectory, Fairphone will use part of the funding to continue to expand the company, increase marketing and sales support in Scandinavia and southern Europe, and test new sales models such as leasing programs. At the same time, Fairphone will further its mission by investing more in research and product development, with a special focus on supply chain innovations that contribute to fairer electronics, such as sourcing responsible cobalt for smartphone batteries. Newly appointed CEO, Eva Gouwens, is looking forward to leading Fairphone through this new era, sharing:

“With the tremendous support of our community and investors, we exceeded our initial targets for this round and are in a very fortunate and stable position

to take the next steps for our company and our mission to change the electronics industry from the inside.”

New and existing impact investors help exceed funding targets

As Fairphone continues to expand its organization and ambitions, the company has been careful to align its investment strategy with its social mission, focusing on attracting impact investors who share its values. In August this year, Fairphone raised €2.5M with a crowdfunding campaign, giving community members a unique opportunity to have a financial stake in Fairphone’s future. Participants contributed to the campaign in the form of a convertible loan, and will be invited to convert their loans into shares. The impressive conclusion of this 3-week crowdfunding campaign kickstarted the process for other major investors to participate in Fairphone’s latest investment round, which officially closed on 15 November.

Initially the organization set an optimistic target to raise €5 million in this investment round, but thanks to an expanding network of interested impact investors managed to surpass its goal, raising a total of €7 million in capital and €13 million in debt finance. Two of the key investors, PYMWYMIC and DOEN Participaties, were also part of Fairphone’s 2017 investment round. These familiar names were joined by a noteworthy selection of new impact investors, including PDENH, Quadia and DALHAP, as well as individual community investors through Oneplanetcrowd (OPC), the platform that facilitated Fairphone’s crowdfunding campaign. According to Anthony Viellevoije, Investment Manager at PDENH, participating in this investment round presents a unique opportunity:

“At PDENH we are excited to join the ambitious mission of Fairphone. The circular nature of Fairphone’s product aligns perfectly with our funds’ main goals, and apart from boosting the sustainable economy in the larger Amsterdam area with substantial employment, we are confident that Fairphone can be a successful social enterprise worldwide and as such trigger enormous environmental benefits and better working conditions across the industry.”

And also Maarten de Jong from Oneplanetcrowd concludes: “Next to the capital assured for growth, Fairphone now has over 1800 ambassadors supporting the company and its mission. As a platform we are proud to be part of the further growth of Fairphone.”

Note to the editor

About Fairphone

Fairphone is a social enterprise that is building a movement for fairer electronics. By making a phone, we're opening up the supply chain and creating new relationships between people and their products. We're making a positive impact across the value chain in mining, design, manufacturing and life cycle, while expanding the market for products that put ethical values first. Together with our community, we're changing the way products are made.

About Fairphone's investors

DOEN Participaties

DOEN Participaties has the ambition to make the world greener and more social. That is why impact is central to all investments. DOEN Participaties invests in the early phase of companies and dares to take risks. DOEN Participaties is fully owned and managed by DOEN Foundation. The DOEN Foundation was set up by the Charity Lotteries. For more information see www.doenparticipaties.nl

PYMWYMIC

Pymwymic is the "Put Your Money Where Your Meaning Is Community" of impact investors: a community of families, philanthropists and individual investors funding the new economy through the support of for-profit companies creating global solutions. Through its community gatherings and contributions to publications in the field of impact investing, Pymwymic aims to share its learnings grow support for businesses making a positive impact on people and the planet. In 2016 the group created the Impact Investing Cooperative with its first thematic sub-fund, 'Pymwymic Healthy Ecosystems Impact Fund', focusing on disruptive and innovative business models that restore and conserve our ecosystems.

Oneplanetcrowd

Oneplanetcrowd is Europe's leading sustainable crowdfunding platform. Since launching in 2012 we have grown into a platform with more than 25,000 active investors and have raised over €30,000,000 in funding. This has allowed us to provide seed money or growth capital for more than 200 projects.

PDENH

Participatiefonds Duurzame Economie Noord-Holland invests in start-ups and established enterprises with a sustainable business model which contribute to the sustainable economy of North Holland. Focus areas of PDENH are energy transition, sustainable mobility and circular economy.

DALHALP

DALHAP Foundation was established in 2018 and aims to promote social responsibility in all aspects of its investment process, specifically seeking investments that will ultimately benefit the underserved, and, in the process, Do As Little Harm As Possible (DALHAP).

Quadia

Founded in 2010 in Geneva, Quadia specializes in direct impact investments, through equity, debt and funds. In line with its mission «We finance today the solutions for tomorrow», Quadia targets companies which have positioned their strategic development on products and services which directly contribute to a regenerative economy, in particular in the areas of smart energy, sustainable food and sustainable consumption and production. Since its creation, Quadia has financed and invested in 40 companies, projects and investment funds across Europe for the equivalent of USD 170 million. Quadia is based in Geneva, Switzerland. For more information, visit www.quadia.ch.

Photos, videos, fact sheets and other materials are available at the Fairphone press page: <https://fairphone.com/en/about/press/>

www.fairphone.com

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