

Creating impact through philanthropy

A Nordic perspective

Great Wealth



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Foreword

Despite relative prosperity and an extensive state provision of public goods, Nordic countries nonetheless experience complex social challenges that call for fresh thinking and new ways of acting. High on the list of priorities for social development is a need for innovative financing arrangements and greater collaboration between all relevant actors.

Established in 2011 by Swedish Entrepreneurship Forum, the role of Philanthropy Forum is to further the debate by researching the role of philanthropy in social development, economic growth and prosperity. Complementing our own insights, a series of interviews with philanthropists and foundation representatives in the region form the basis of this report. Together, they illustrate the current state of philanthropy and suggested ways forward.

It is our sincere hope that this report will contribute to discussions around effective philanthropy, and that it will inspire more individuals to do what they can to engage in developing our societies for the collective good.



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Building on the Nordic countries' long traditions of philanthropy, philanthropists in the region are at the forefront of innovative ideas and approaches to combat some of our more pressing social challenges. Alongside using their extensive breadth and depth of societal and industrial experience, we observe a growing trend towards greater professionalization of philanthropic activities.

At UBS Philanthropy Advisory, we are committed to supporting philanthropists and foundations in achieving their goals. Over the past decade, we have partnered with and advised philanthropists across a number of fields in the Nordic countries in order to help increase the social impact of their initiatives.

The scarcity of literature on Nordic-related philanthropy might be surprising given its extensive history, and is something we want to address. This is why we have worked with Philanthropy Forum to produce this report – to shed light on what characterizes philanthropy in the Nordic region.

We hope you find the report thought-provoking, and we would be happy to discuss the findings and implications for your own activities as, together, we seek to generate even greater positive change across societies.



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Many of the individuals that we have met are identified in this study, while others have chosen to remain anonymous and are therefore not included in the list of respondents in the appendix. The analysis contains practical examples and quotations from the individual respondents, but we want to emphasize that the analysis is our interpretation of the joint outcome of the in-depth interviews and should not be attributed to any specific respondent.

The report has benefited substantially from qualified contributions by Marcus Larsson at Swedish Entrepreneurship Forum to the section “A macro view of philanthropy in the Nordic region” in particular. We greatly appreciate his work and extend our special thanks to him.

While UBS financially supported this study and respected all the boundaries of independent research, we greatly valued their contributions as experts and thoughtful partners.

Study background and introduction

Evidence is gathering that philanthropy serves society in a number of ways. It provides private resources to build public goods such as schooling, health care, and academic research, and it introduces new and innovative ways of addressing old problems. Still, knowledge about philanthropy is quite limited in the Nordic economies, a feature shared with many other countries.¹ There is an obvious demand for a more comprehensive understanding of motivations, practices, aspirations, and challenges associated with philanthropy and social engagement. The aim of this particular study is therefore to deepen our knowledge about the practice and impact of philanthropic giving in the Nordic countries, emphasizing the drivers to engage in philanthropy and lessons learnt from previous experiences.

The motivation for a Nordic perspective is that there are great similarities between the four countries.² All four countries are small and open economies with high standards of living, and they host comprehensive and inclusive welfare sectors that are financed through high taxes.³ This suggests that Nordic philanthropy may focus on alternative areas other than those associated with the welfare state, e.g. taking a more international perspective or favoring research and similar areas not related to more basic needs. However, over the past few years the Nordic

welfare states have been under pressure. Demographic development, the financial crisis, and an increasing number of people outside the labor market have generated concerns about the future of the welfare model as we know it and its ability to provide public services and goods for the citizens. Hence, the cracks in the welfare state may have prompted alternative or complementary solutions initiated by philanthropists, albeit traditionally provided by the government.

At the same time, there are also obvious differences between the Nordic countries. For example, the industrial structures are relatively similar in Finland and Sweden, whereas Denmark and Norway are specialized in other areas. The four countries also operate in different institutional settings with regard to the EU, the euro currency area, and the structure and level of taxes related to philanthropy. These differences may influence how philanthropy is viewed and conducted.

¹ See all footnotes on page 36.

Executive summary

As well as providing greater financial resources for public goods, philanthropy has the potential to create innovative solutions to address contemporary challenges. It can be a catalyst for change by seeding, testing and developing new forms of initiatives, collaborations and financing methods. Crucially, it can challenge conventional ways of thinking in order to drive more effective societal change.

Based on 41 interviews with philanthropists in the region, this study adds to existing knowledge regarding the practice and impact of philanthropy in Denmark, Finland, Norway and Sweden. It focuses on issues such as donor motivations and aspirations, philanthropic practices and operations, challenges and obstacles to giving, the forms of support philanthropy can facilitate, and how its impacts might be strengthened. The findings demonstrate the very specific flavor of Nordic philanthropy. The interviews share a number of insights and understandings that we have grouped into three key-learnings: motivations and influences, strategies and approaches, as well as priorities and future outlook.

Motivations and influences

Philanthropic interests are driven by personal connections to the issues

Philanthropists generally have a deep or emotive connection to the causes they support. Typically, they will become involved in an issue due to a personal interest or empathy with the cause (e.g. the environment, art or youth); they or someone they know having experienced unresolved problems or having been diagnosed with an illness; or the cause is in their area of business or professional expertise. In sum, the interviews reveal quite a complex picture with the common thread that philanthropy is something personal.

Family involvement remains important despite a culture of individualism

The Nordic countries have traditionally been characterized by an extensive welfare state with high levels of social trust, which has allowed for strong freedom of self-expression and individuality, particularly compared to other societies around the world. Yet, there is a high level of family involvement in philanthropy and many interviewees noted that philanthropy is a family trait and something in which they often engage with the whole family over different generations.

An ever-greater need for philanthropy

Nordic welfare states have been under growing pressure from such challenges as demographic changes, financial crises and a greater share of marginalized citizens, among other factors. These challenges give rise to concerns that the public sector cannot continue to provide public goods in the same way as before, and it encourages greater innovation, entrepreneurship, and philanthropy across society.

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Strategies and approaches

More strategic, focused, professional and collaborative

Many respondents have restructured and developed their organizations in recent years to improve the impact of their engagement. They have done so from a strategic perspective, with a majority enlisting external help and support, as well as generally professionalizing how their organizations are run. There is also an inherent willingness to collaborate with other philanthropists and organizations; in fact, more than two thirds of respondents do so.

Increasingly holistic and impact-driven

Nordic philanthropists consider that all actors in society share a responsibility for societal development. An important characteristic of the Nordic philanthropic model is the close connection between social engagement, philanthropy, entrepreneurship and business ventures. Respondents also revealed significant interest in measuring and evaluating their engagement while recognizing the complexity involved in doing so and applying various ways and degrees of impact measurement.

Different organizational forms and innovative financing methods are on the rise

Foundations are the most popular structure for organizing philanthropy in the Nordic region, probably due to the available institutional framework and tradition. Yet, in recent years we have witnessed an increasing interest in new and innovative forms of giving such as venture philanthropy, social impact investing, social entrepreneurship, and Social Impact Bonds (SIBs).

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Priorities and future outlook

Scientific research and care for children and youth dominates

Of the areas supported by respondents, scientific research and the care of children and youth are the most prioritized. Education and social care share third place. Although many respondents engage in arts and culture, this occupies a lower priority. There is a very low level of engagement in religion or religious causes - probably due to the region's high degree of secularism.

A primarily domestic affair

Most respondents operate predominantly in their home countries, although more than half has some degree of international involvement (primarily within the Nordic region, followed by Africa and Asia). The choice of geographical focus is typically due to "this is the country where I live", "we engage where we have business operations" and/or "this is where the impact is greatest."

Philanthropy is set to grow

Optimism reins over the outlook for the development of philanthropy. An increasing number of projects are being undertaken, and both hands-on engagement and the amount of capital contributed is expected to stay the same or increase over the coming five years. It is acknowledged that improvement is needed to the level of knowledge concerning philanthropy and how it can support the development of a better society. There is also a view that role models play important roles in incentivizing potential philanthropists and tax incentives may influence the level of giving.

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A macro view of philanthropy in the Nordic region

Industrial structures and the distribution of the size of companies in Finland and Sweden are different to those in Denmark and Norway. The historical setting is also different, with the independence of Finland and Norway a more recent phenomenon. The countries also operate in different institutional

settings with regard to the EU, the euro currency area, and tax policies related to philanthropy. These factors impact the degree of philanthropy – and attitudes towards it – as well as the level of entrepreneurship and the presence of family dynasties, fortunes and societal influences.

Table 1: Key facts and figures

Variable	Denmark	Finland	Norway	Sweden
Population (millions of inhabitants)	5.6	5.5	5.1	9.6
GDP (billions of euros)	248.0	210.0	298.0	429.0
GDP growth rate (% , average 2005-2015)	0.5	0.7	1.4	1.9
GDP per capita (thousands of euros)	43.7	38.5	57.5	43.8
Unemployment rate (%)	6.2	9.4	4.3	7.4
Foreign-born population (% , 2013)	8.5	5.6	13.9	16.0
GINI coefficient (2015)*	26.9	27.8	26.9	26.1
UNDP Human Development Index*	rank 4 (0.92)	rank 24 (0.88)	rank 1 (0.94)	rank 14 (0.91)

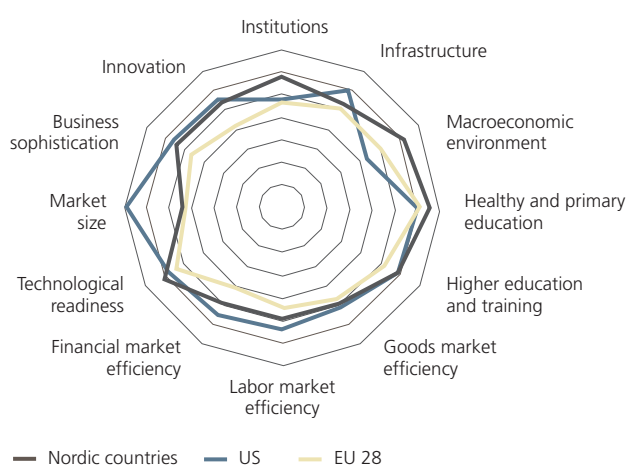
Note: According to the UNDP the Gini coefficient is a “measure of the deviation of the distribution of income among individuals or households within a country from a perfectly equal distribution”. It ranges from zero (absolute equality) to 100 (absolute inequality). The UNDP Human Development Index measures key dimensions of human development: a long and healthy life, being knowledgeable and having a decent standard of living. The Nordic countries belong to the group of “very high human development”. As OECD expresses GDP in US dollars, a conversion to euros has been made using the exchange rate of USD 1 to EUR 0.94.

Source: OECD, all values are for 2015 unless otherwise stated. *UNDP Human Development Report (2015).

However, the overall picture is of a stable institutional framework, steady growth, long-term political stability, relatively flexible labor markets, open economies and robust education systems.⁴ In addition, strong egalitarian values are reflected in the narrow income distribution in all Nordic countries.

From an economic perspective the World Economic Forum Global Competitiveness Index (Figure 1) shows the Nordic countries to be highly competitive. As a group, they score higher than the EU-28 countries in all twelve areas and higher than the US in four out of twelve areas.

Figure 1: Nordic competitiveness compared to the EU-28 and the US, 2015-2016

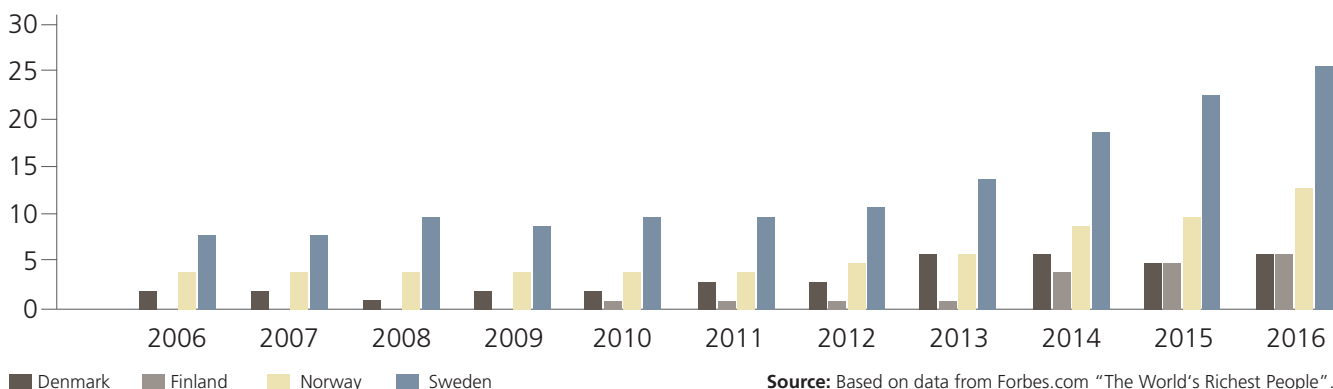


Source: Based on data from the World Economic Forum Global Competitiveness Report 2015-2016 (Schwab, 2015).

Private wealth accumulation has increased over the last decade, as has the number of billionaires in the four countries. Figure 2 shows the development in number of US dollar billionaires over time. Sweden hosts the most billionaires, where, in 2016, the number was 26 compared to eight a decade earlier.

Norway comes second with a total of 13 US dollar billionaires in 2016 and Denmark and Finland are on par with six US dollar billionaires. It is interesting to note that Finland had no US dollar billionaires until 2010 but reached five by 2016.

Figure 2: USD billionaires in the Nordic Countries, 2006-2016

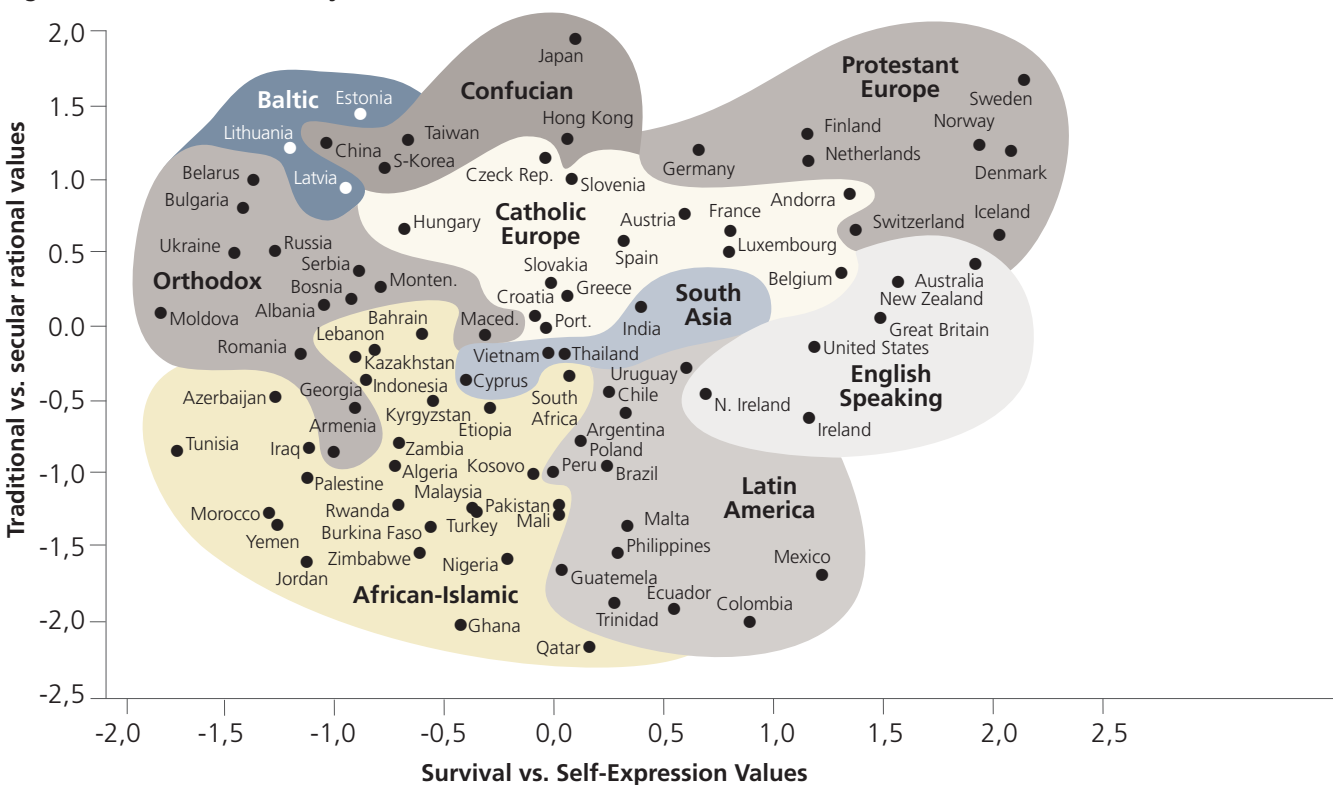


The Nordic social contract and welfare model

Social solidarity and trust are two defining features of the social contract. Yet, Nordic society is also based on "an extreme individualism that defines the social relations and political institutions in the Nordic societies".⁵ As seen in the World

Values Survey, Denmark, Norway and Sweden have high levels of secular-rational values and self-expression (Figure 3). Finland has comparable secular-rational values but slightly lower levels of self-expression. In essence, Nordic countries share a common societal value ground with only minor variations.

Figure 3: World Values Survey (WVS6), 2015



In this context, there has been an aim to 'liberate' the individual both from the family and from civil (local) society through legal changes such as the individual taxation of spouses, abolition of obligations to support elderly parents, introduction of (almost) universal daycare, tuition-free universities and higher education matched with student loans provided by the government (that are independent of family income) and a generally strong emphasis on children's rights.

This backdrop created a very specific approach and attitude towards philanthropy for a long time. As the social contract and welfare state has traditionally been very strong, people are used to social issues being addressed by the state and funded by taxes on citizens; hence there is not necessarily a strong obligation to give back to society. The last decades have however witnessed a change in those attitudes, triggered by several different factors such as a changing tax environment, wealth accumulation and international influences. Combined with quite strong individualistic traits in the Nordic countries that seems to have paved the way for a new philanthropic era.

“All citizens should have equal opportunities, rights and obligations to participate in society and use its resources – irrespective of their economic and social back-ground.”⁶

The common sets of values for the Nordic societies include:⁷

- Comprehensive public responsibility for basic welfare tasks
- A strong government role in all policy areas
- A welfare system based on a high degree of universalism
- Income security based on basic security for all
- Embracing the social and health sectors
- Relatively equal income distribution
- Gender equality as guiding principle
- Well-organized labor market with high work participation and tripartite cooperation.

Denmark

Denmark has a long history of charitable foundations, having played an active role since at least the 16th century. By the 19th century the social economy had begun to develop with the cooperative movement. Farming cooperatives were the most common form, supporting farmers economically as well as providing for cultural, educational and political interests.⁸

Today, Denmark has more than 11,300 foundations with the basis of the legal framework governing foundations being the “Act (Betænkning) 970” of 1982. This contains two sets of laws – one for industrial foundations and one for non-industrial foundations. In 2016, the regulatory framework was renewed to provide greater transparency and to strengthen the role of the boards of directors and the supervisory body.⁹

Whereas non-industrial foundations are similarly structured like a charitable foundation in most other countries, and are the most common forms in Denmark,¹⁰ the industrial foundations play an important role in Denmark. These arose following the industrial revolution¹¹ and often own a majority of an industrial company's shares.¹² Around 1,300 industrial foundations are registered in Denmark, with around 100 being economically important.¹³ Industrial foundations are liable to income tax but can reduce tax expense through donations to charitable and public purposes.¹⁴

Foundation-owned companies account for roughly 20% of total private business turnover and 22% of employment in Denmark. Listed foundation-owned companies account for 54% of the Copenhagen Stock Exchange's market capitalization. Industrial foundations account for 5% of all jobs and 8% of private sector jobs in Denmark.¹⁵

Finland

The role of foundations in Finland goes back even further than in Denmark with foundations connected to the church established from the early Middle Ages.¹⁶ During the era of nation building in the late 19th century a number of new foundations were established to strengthen Finnish values by focusing on culture, education and research. On the regulatory side, a new foundation law was initiated upon independence from Russia in 1917, though it was not passed by parliament until 1930. The most recent iteration was a renewed Foundations Act that came into force in December 2015. All 3,000 (as of 2012) Finnish foundations must register with the National Board of Patents and Registration and submit annual reports on their activities and annual accounts. The minimum initial capital base is EUR 25,000. Actual monitoring of the sector is the responsibility of the Foundation Register.

Over the last years Finland has made it easier to donate to research and innovation. The process started in 2008, when business owners were allowed to deduct up to EUR 250,000 in their (company) tax returns for donations to university research. The reform was extended to include individual donors during the period 2009 to 2013. A second step was taken in 2010 when Finland reformed its university system with increased autonomy for the universities as one outcome. Following this reform, the government introduced a governmental matching fund in 2014.¹⁷ In the first round, the Finnish government matched private donations to universities by a factor of EUR 2.5 per euro donated. This rose in the second round to EUR 3 (to a limit of EUR 150 million for all universities).

Norway

Historically, Norwegian foundation's activities have largely been a political arrangement between the church, state and bourgeoisie. Social movements began to develop in the 19th century, engaging people around religion, temperance, sports, the Norwegian language¹⁸ and the labor movement.¹⁹

By 2015, there were 7,311 registered foundations in Norway, of which nearly 900 were business foundations and the remainder non-profit foundations with a social purpose. Growth in the number of foundations began in the 1990s, due in part to the modernization of laws regulating foundations and grants through private and industry-based gifts. Further modernization occurred in 2001, when the Foundation Act of 1980 was replaced by a new law - the Foundation Legislation Act, which requires all foundations to be registered.²⁰ This central register for foundations is supervised by the Norwegian Gaming and Foundation Authority.²¹ Most recent data show Norwegian foundations donating slightly over EUR 0.3 billion a year.²²

Tax deductions and the matching system: Individuals may claim tax deductions on donations to NGOs and foundations up to a sum of EUR 2,229 annually.²³ The minimum donation is EUR 56.²⁴ The tax deduction also applies to donations to foreign organizations within the European Economic Area (EEA).²⁵ The list of Norwegian organizations that qualify for donations has grown gradually and in 2013 comprised 498 approved organizations. Similar to the Finnish system, the Norwegian government also supports university research by providing a 25% match to donations in this area of at least EUR 334,196.²⁶

Sweden

One of Sweden's first social movements was the temperance movement. By the end of the 19th century, a number of popular mass movements had developed: the labor movement, free churches, sports movements, consumer cooperatives, and institutions for adult education. Today, there are nearly 55,000 foundations, of which around 13,000 are registered with the County Administrative Board (a requirement for foundations with capital of around EUR 35,000 and over).²⁷ In 2012, foundations with a public purpose had total assets of approximately EUR 27.51 billion.²⁸

In terms of regulations, a foundation must be governed either by a board or a legal entity such as a university or a non-profit organization (NPO). The County Administrative Board is responsible for supervision. Foundation activities can be fairly varied as they are allowed to conduct business and can own limited liability companies. Foundations are subject to income tax but can be eligible for limited taxation if they engage in activities with a specific public purpose, i.e. tax exempted for current income such as interest, dividends and capital gains.²⁹

Changes in income tax legislation: In 2014 the income tax law applicable to foundations, NPOs and registered religious communities was harmonized. The most important aspect of this reform was that the concept of qualified public purposes³⁰ was widened and more areas were able to benefit from tax exemption. The reformed legislation does not define qualified public purposes but provides a list of examples of areas that should be covered by the law, such as sports, culture, environment, care for children and adolescents, political and religious activities, healthcare, social care, Sweden's defense and crisis response capacities, education and academic research, and other purposes. The extension enables foundations to operate in more areas than before.

Swedish residents free of unsettled tax liabilities can donate dividends from shares in Swedish companies without paying taxes. The policy implies that donors may increase the value of their donations by 43% compared to donations made from taxed earnings. There are a few requirements, such as the individual must be the direct owner, i.e. partners of equity funds do not qualify; the receiving organization must be a non-taxed non-profit association; and the shareholder must relinquish the right to a dividend prior to the annual meeting.³¹



Key-learnings

The analysis of the interviews is structured into three key-learnings: motivations and influences, strategies and approaches, as well as priorities and future outlooks.

Motivations and influences

Philanthropic interests are driven by personal connections to the issues

There are many reasons why a person may engage in philanthropy. Common among Nordic philanthropists is a personal connection to the issue involved. Whether it is one's own experience or that of families or friends, whether it relates to one's professional area or concern for employees, or a deep interest in a subject such as the environment, art or youth issues - philanthropists will typically have a personal empathy or interest in the cause.

Trygga Barnen and Trygga Vuxna – helping children in families with addiction problems

One example is Agneta Trygg, founder of Trygga Barnen³², and Trygga Vuxna, who started to engage in philanthropy with the aim of helping children in families with addiction problems. Mrs Trygg's husband suffered from alcoholism and when he passed away in 2010, the family decided to start a foundation – Trygga Barnen. The vision is to take away the shame and self-accusation that lies within families with addiction problems. Trygga Barnen organizes a wide range of activities for their target group, such as individual and group meetings, Trygga Högtider³³ to celebrate Christmas, Easter, and Midsummer a couple of days ahead of the real date, and Trygg Hängbro³⁴ to support children in school. Trygga Barnen also works with advocacy, spreading information, and being the voice of the children that they represent in society. Trygga Barnen is expanding and is through the network Trygga Hjältar³⁵ represented in 20 Swedish municipalities. Earlier this year Mrs Trygg established Trygga Vuxna:

“It is not only the children that suffer from addiction problems, other grownups such as relatives and partners are affected. They also need support and Trygga Vuxna is lending them a hand.”

Agneta Trygg on why she started Trygga Vuxna.

Mikael Ahlström, founder of Charity Rating, has another interesting example of why one starts to engage in societal questions and philanthropy.

Charity Rating – an association for donors

Charity Rating was established in 2005 by Mikael Ahlström who is also the founder of the private equity firm Procuritas AB.³⁶ Charity Rating is based on the idea that it should be easy to compare charity organizations and in that respect Charity Rating serves as the donors' association. The mission is to evaluate non-profit organizations in Sweden as well as the information the organizations provide to the public in order to help donors make well informed decisions.

“The overall aim with Charity Rating is to increase giving in general and provide better information to the public about charity organizations”, says Mikael Ahlström, founder and Chairman of the Board of Charity Rating.

Charity Rating has developed a database of hundreds of non-profit organizations. The information is summarized in “Givarguiden”. The guide evaluates organizations based on democratic structure, financial statements, and level of transparency. The evaluation is based on information that is available to the public such as annual reports, business plans, other information materials, and websites.³⁷

Family involvement remains important despite a culture of individualism

Around three out of four respondents said their family members are somehow engaged in the organizations they support or have set up, or that they have their own projects. Many family members are elected directors on the boards of foundations they have established; others have family members that work in the organization. This strong family involvement compared to other countries is interesting given the extremely individualistic nature of Nordic societies. There are many examples from the respondents on how to integrate the family over different generations in the philanthropic engagement. The Karl-Adam Bonnier Foundation (KAB) is one such example.

The Karl-Adam Bonnier Foundation – a foundation, that brings the family together in support of entrepreneurship, innovation and business venturing.

The KAB Foundation was established in 1986 by Karl-Adam Bonnier. The foundation aims to support scientific research and education in business administration and corporate law. The foundation is governed by a board of directors that consists of three to five board members, whereby two are to be direct heirs to Karl-Adam Bonnier. Each board member has a mandate of seven years and according to the statutes, the family should be represented on the board. Tor Bonnier and Johan Bonnier are the current family representatives on the board.

“The foundation enables interested family members to work together on supporting education and research. Each board member has a two plus five (seven) year mandate and there is no option for re-election without having been off the board for a full mandate period. This enables the foundation to renew itself every seven years as well as give opportunities for other family members to engage themselves with the foundation’s mission”, says Tor Bonnier, Chairman of the Board and direct heir to Karl-Adam Bonnier.

The family involvement is especially pronounced for philanthropists that have established the foundation with the dual aim of keeping the family together over generations and to contribute to sustainable change at the same time. The initiative behind the The Eva Ahlström Foundation is a further interesting example.

The Eva Ahlström Foundation – to do good for society in honor of our ancestors

The foundation was established in 2010 by a group of female heirs of Eva Ahlström (1848-1920) to honor their great-grandmother’s work as a great business woman – the first Finnish female industrial leader and philanthropist. During her lifetime Mrs Ahlström and her husband Antti were engaged in the social care and education for underprivileged women and children. Today, the Eva Ahlström Foundation aims to continue the path once established by their ancestor.³⁸

“We follow in the footsteps of Eva Ahlström and support underprivileged women, children and adolescents both in Finland and internationally. Our work takes place through cooperation with established NGOs”, says Mrs Bondestam (nee Ahlström), co-founder of the Foundation.

Numerous examples can be drawn from the respondents, including those who have established foundations associated with a company that has a large presence in a particular community. Here we see the families – through the foundation that they have established – showing great interest in the wellbeing of the employees of their companies, their families and the communities where the company operates as a whole. Others also engage their employees in their philanthropy, which provides a special culture and sense of belonging and pride within the companies.

An ever-greater need for philanthropy

The emergence of flaws in the Nordic welfare state over recent decades has further motivated philanthropy. The universal welfare state had previously constrained the development of philanthropy; the concepts of entrepreneurship, innovation, wealth creation and philanthropy had negative connotations for much of the 20th century.³⁹ Since the 1990s, Nordic societies have become more market oriented, with attitudes toward entrepreneurship, innovation and philanthropy being significantly more positive today.

Meanwhile, enormous social challenges such as demographic changes, increasing immigration, environmental problems, youth unemployment and social exclusion are putting pressure on the welfare state. Many respondents feel that the welfare state can no longer handle all societal challenges. Developments require more actors to work together in new collaborations, with an imperative for new ways of acting, such as innovation and entrepreneurship.

One philanthropist expressed the need for philanthropy in the following way:

“Philanthropy should focus on topics and issues where society and research has got stuck and the same mistakes are made over and over again. The innovative power of philanthropy could help to find new ways of doing things in a more effective way.”

Peter Flandern, founder of the Petra Flandern Foundation.



Strategies and approaches

More strategic, focused, professional and collaborative

Creating a structure for philanthropy is very common with almost all respondents having established an organization (most often a foundation) and most playing an active part in the organizations they have founded. The interviews revealed that philanthropists have become more strategic, more focused and more proactive in recent years. This could be in setting up a vehicle to channel their philanthropic giving or concentrating their giving on a few areas rather than giving smaller sums to many different organizations and purposes. In general, alongside the more strategic and proactive style of giving, there is a greater focus on measuring social impact and on finding partners to work with.

Lauritzen Fonden

The strategy that Lauritzen Fonden has implemented constitutes an interesting case.⁴⁰ During the strategy period, the foundation focuses its humanitarian work on supporting vulnerable youth and children's opportunities to become active and involved citizens in Denmark. Data from Denmark shows that eight percent of all Danish children grow up in poverty with life-long consequences. For example, these children have lower levels of well-being and perform worse in school. Later on in life they face a higher risk of unemployment and early retirement. To combat this social challenge, the foundation has selected two interconnected areas to work with; well-being and general education that stimulate social, educational and cultural competences. Well-being is seen as a prerequisite for learning and general education will give the vulnerable youth and kids a solid basis enabling them to access the educational system and find a way to the labor market.

"We cannot do this alone. To be successful and improve the situation for this group of children, we need to collaborate to advance knowledge both internally and in society to develop best-practice and to build capacity," says Inge Grønvold, Managing Director of Lauritzen Fonden.

Other respondents also mentioned narrowing the focus of their giving and placing more emphasis on its social impact, including measuring it. The approach to evaluating organizations has also started to change; traditionally a simplistic view was to calculate the ratio of administrative cost to the amount spent on beneficiaries. Today it is more common to measure the social return on an investment (see section on measuring impact for further discussion).

Interesting to note is that many of the respondents borrow skills from their professional life and apply this business acumen and entrepreneurial mindset when developing their philanthropy. In this way they utilize their abilities to identify problems and to find solutions. They also contribute with networks, expertise and organizational, management and strategy skills. Many have established and operated companies in global markets, which extends what can be achieved in their area of interest.

"I use the entrepreneurial model and apply it to the organizations that I have established. There are great similarities between philanthropy and entrepreneurship."

Sven Hagströmer, co-founder and member of the board of Berättarministeriet and founder of Allbright Foundation.

Niklas Adalberth, co-founder of Klarna and founder of Norrsken Foundation is another philanthropist that believes in the power of entrepreneurship to create a better world.

Effective altruism and social tech – entrepreneurship

In 2016, Niklas Adalberth, one of the founders of Klarna, launched the Norrsken Foundation.⁴¹ The Foundation is focused on social-tech entrepreneurs that use new technology to address major societal challenges. The tech-lab is one of the foundation's main pillars. Another pillar is an incubator where Norrsken will support social tech-companies with expertise, networks, and capital. "Norrsken House" opened in 2017: it is a hub for entrepreneurs who work with solving global challenges.

"I started Norrsken Foundation with the aim to support and develop social tech-entrepreneurs to change the world into something better. We are located in Stockholm but talent and challenges are global and so are we", says Niklas Adalberth, founder of Norrsken Foundation.

“I work full-time with my philanthropic engagement. Apart from running the organizations that I have established, I sit on a number of foundation boards, and I work actively to help other organizations to develop and become more strategic to raise the effectiveness of the sector in Norway.”

Ingrid Stange, philanthropist and founder of Partnership for Change.

As the discussion shows there is often a close relationship between entrepreneurship, business venturing, and social engagement in the region. Stefan Persson, chairman of the board of H&M, and founder of The Erling-Persson Family Foundation provides one such example. Mr Persson established the foundation in 1999 in honor of his father's, Erling Persson founder of H&M, great interest in entrepreneurship and how it can contribute to societal change. Initially the foundation supported educational programs in entrepreneurship, but quite soon it started to support medical research and over time it has further expanded its scope and today it also supports projects that aims to promote and develop the conditions for children and young people.

“For me it is important to find the right projects that have potential to make a difference and not only to give with my heart”, says Mr Persson.

Coupled with the professionalization of individuals' philanthropy is the observation that philanthropists themselves are becoming more proactive and showing more engagement in their foundations and organizations. In many cases, philanthropy was viewed as a combination of financial donations and personal engagement. The most obvious reason for personal engagement is that the philanthropist takes a great interest in the topic and enjoys being part of the project. Personal engagement also helps make financial donations more effective so they can have a greater impact. Examples of how philanthropists engage are:

- Board member/chair of foundation
- Sharing networks to raise funds and/or create greater impact
- Strategic development of organizations
- Member of steering groups and expert councils
- Improving organizational management and governance
- Developing and implementing impact measurement and organizational evaluation
- Representing the organization externally, interviews and presentations, and taking part in panel discussions and seminars
- Organization of seminars, symposiums, networks and platforms
- Network and platforms for alumni
- Ambassador for and engagement with other organizations.

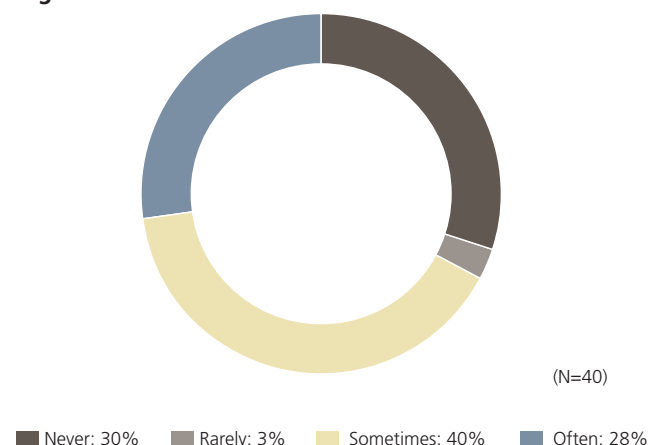
To further support the increased focus and professionalization of a foundation, some have created a separate scientific board that handles the grant-making process to decide which research projects should receive support. The scientific board often comprises academic scholars that evaluate the applications. Many of the respondents also report that they have appointed experts to the board of the foundations.

“The boards of my foundations play a very important role. Many of the members are professionally active in the areas that we support and with their profound knowledge we can direct the funding to where it has the greatest impact.”

Bo Hjelt, entrepreneur and founder of several foundations.

Collaboration was also an important point for many. The majority of respondents collaborate with other philanthropists and organizations to achieve their goals. Those that never collaborate with others attribute this to the challenge of finding relevant partners with whom to cooperate, or not finding it necessary or useful to collaborate. However, others are interested in the prospect of future collaboration.

Figure 4: Collaborations with other philanthropists and organizations



Finally, given the importance of setting out on the right path, philanthropists often enlist external help with regards to their philanthropy. Besides lawyers and attorneys (46%), which one might expect for the setting up of a foundation and other legal matters, respondents turn to their banks (23%) and independent philanthropy advisors (15%) for assistance. The most common is to get support and advice from peers and personal networks (77%).⁴²

Increasingly holistic and impact-driven

Whereas in other countries we often witness wealthy individuals motivated by a sense of moral obligation to give back to society, in the Nordic countries the social contract seems to be of a more voluntary engagement that is rooted in the choices individuals make in life, to run their businesses and raise their families. For many of the respondents, engaging in philanthropy and more broadly in society, has always been a family trait. A trait that has permeated their business careers and entrepreneurship. Nordic philanthropists consider all actors in society to share a responsibility for a sustainable environment and societal development. For example, when running a business, it is imperative to think of how the business treats employees and their families, and how the communities and environment surrounding the business are affected. This is the same when making life choices and raising responsible children, taking a holistic approach to ensure one's footprint on the world is positive.

Inger Elise Iversen, CEO of Kavli Trust in Norway, pinpoints a key argument in encouraging people to recognize their own role and potential:

Given the institutional changes, there is much more room for private initiatives, and attitudes towards philanthropy, social entrepreneurship and social innovations are much more positive today. In sum, the interviews reflect a wish to contribute to society with the aim to help others fulfill their dreams and to create opportunities and a better society for future generations. Tomas Björkman gives an interesting perspective on why he started to engage in philanthropy and societal development and how the activities of the foundation have developed over time.

Tomas Björkman – Ekskåret for young people as well as adults

A couple of years ago, Tomas Björkman, a Swedish entrepreneur, bought the island Ekskåret in the Stockholm archipelago.

“My vision was to create a physical space for young people where they can discuss existential and societally related questions in order to create a sustainable world where people work together to create prosperity for themselves, each other, and the planet”, says Tomas Björkman founder of the Ekskåret Foundation.

To achieve this, the foundation hosts summer camps for young people following the methods of Protus⁴³ to give them a platform for discussions, personal development, and the opportunity to live close to nature for some time. The foundation also operates a conscious co-working space in the center of Stockholm to provide a platform for entrepreneurs that believe in the possibility of societal and individual change and de-

“I think it is important that the discussion about societal challenges starts already in school. We need to invite everyone in society to discuss developments in local society; children are important in this process. What can I do to improve society? How can I help? These types of discussions can foster a new mindset and hopefully plant a seed that everyone is important in the work for societal change.”

Inger Elise Iversen, CEO of the Kavli Trust.

velopment. It is a venture that works in the spirit of increasing the wellbeing and development of society in order to reach a higher level of consciousness and awareness.⁴⁴

MOT – Improving the social environment and quality of life among young people

MOT's Global life skills concept is another such initiative that aims to improve the social environment and the quality of life among young people by teaching them vital life and social skills. MOT means courage in Norwegian. Using a specially designed program MOT teaches students in secondary and upper secondary schools the courage to live, to care and to say no. MOT's principles are; i) work proactively, ii) see the whole person, iii) reinforce the positive, and iv) give culture-builders responsibility.

The organization was established by the speed skaters Atle Vårvik and Johann Olav Koss in 1997. Today the organization has 28 employees that organize 4,400 local volunteer. Over the years around 65,000 Norwegian students have taken part in the program. The model that MOT applies is universal and today the organization has expanded and is active in Norway, Denmark, Latvia, South Africa and Thailand. Evaluations of the program, by Edvard Befring, professor emeritus at Oslo University, and others show that it has real impact. For example, in comparison with schools that have not participated in the MOT program, "MOT-schools" have cut the rate of bullying in half; these schools also have significantly more students that have at least one friend (three to one compared to ordinary schools). By teaching self-reliance, the MOT program increases mental health and reduces drug and alcohol abuse. One evaluation from South Africa shows that drug abuse decreased by 40% over a three-year period. For many, their company plays an active role as an agent of change by contributing to the foundation capital that is subsequently donated to philanthropic causes and is a vehicle that transmits values between generations.

Developing local milieus in Southern Denmark

The Bitten and Mads Clausen Foundation was established in 1971 by Bitten Clausen, the widow of Mads Clausen, who was the founder of Danfoss A/S. The foundation is an industrial foundation and, together with the Clausen family, it has controlling ownership of Danfoss A/S. The primary aim of the foundation is to strengthen and preserve Danfoss A/S and to manage the ownership of the company. The corporate head quarter is located in Nordborg, a town in southern Denmark close to the German border. The foundation has over the years initiated and supported many projects that aim to strengthen the regional economy and to create an attractive regional milieu for the citizens and the employees at Danfoss A/S. In this spirit the foundation has a close collaboration with the municipality and the University of Southern Denmark (SDU) and has initiated the following programs:⁴⁵

- **Danfoss Universe** – a nature and adventure park in Nordborg.
- **Mads Clausen Institute** at SDU. The institute is focused on research on mechatronics. It offers PhD, master, and undergraduate education. The center aims to strengthen the links between the southern of Denmark and north Germany. It works in close collaboration with the industry and other regional actors.
- Establishing a **cleanroom** at the University of Southern Denmark.
- Financing a **regional cluster analysis**. The aim of the study is to map competences and identify potential sources for growth and regional development.

"It is important for me and for Danfoss to contribute to the development of Sønderborg, and to create an attractive region for both business and the people who live here," says Peter M Clausen chairman of the foundation board.

Greater focus on measuring impact

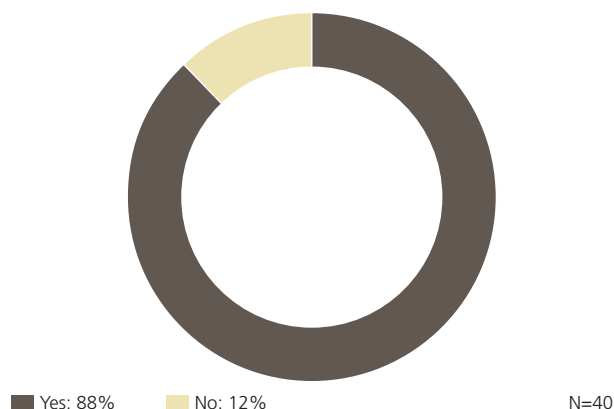
In the past many philanthropists were satisfied with a feeling of doing good, but today we see philanthropists increasingly wanting to evaluate the actual impact of their organizations. Although 'check-book' giving is still common, new forms of philanthropy and practices such as venture philanthropy, impact investing, pay-for-performance contracts and Social Impact Bonds (SIB) are based on an ability to isolate, evaluate and measure their societal impacts.

Impact measurement is acknowledged as a challenging task, although progress is being made. Projects under evaluation are often interdisciplinary with many indirect effects, and impacts that have a long-term horizon. A key challenge is isolating the effects of a specific program among the multitude of influencing factors with many now focusing on showing a contribution to positive change rather than attribution of that change to the program itself. Finding the appropriate variables and available data can also be problematic. Despite this, social impact measurement is growing and alignment among the most relevant methodologies has begun.

The respondents reveal a great awareness around the complexity and potential pitfalls of measuring philanthropic donations. To varying degrees, 88% of philanthropists measure or document their engagement and the impact of their donations. The most common reason for not evaluating is that the respondent represents a small organization and an accurate evaluation is too complex and costly in terms of time and money.



Figure 5: Evaluation of philanthropic engagement by respondents



Impact evaluation can take many different forms. Below is a list of common ways to measure activities and social impact:

- Intermediaries provide documentation and evaluation of supported projects often based on case studies showing achievements;
- Expert evaluations, for example engaging a dedicated consultant to run a baseline analysis and then compare the situation a number of years later;
- Impact measurements based on various (international) standards such as the impact evaluation model developed by EVPA;⁴⁶
- Follow-up research on the initiated programs and interventions by academic scholars.

There are many interesting examples on how the measurement processes take place among respondents. Juha Nurminen, founder of the John Nurminen foundation provides one.

Academic evaluation of the impact of interventions in the Baltic Sea

The initial aim of the John Nurminen Foundation established in 1992, on the initiative of Juha Nurminen, was to protect the cultural heritage of Finnish seafaring and maritime history.⁴⁷ In 2004, with the support of Mr Nurminen, the aim expanded to include environmental protection and the Clean Baltic Sea project was launched as a second branch. The overall objective of the project is to reduce eutrophication in the Baltic Sea and minimize the risk of oil spills in the Gulf of Finland. Academic research shows that the project has been successful and that the level of pollution has decreased substantially. The programs have been evaluated by researchers at the Finnish Environment Institute Syke and scholars at the University of Helsinki.

“It is very important for me to let experts evaluate the impact of our projects; therefore we collaborate with the Finnish Environment Institute Syke and the University of Helsinki. The evaluations are done by academic scholars specialized in environmental studies. Some results, for instance related to our Tanker Safety project, were also published in scientific

journals”, says Juha Nurminen, founder of the John Nurminen Foundation.

The interviews revealed a general feeling that philanthropy and private social investments have an impact on the societal level. Many of the examples that we present in this report support this claim. It is important to remember that there often are both direct and indirect effects of an intervention or an investment. The following example shows how a new establishment can spur societal development.

Social effects of the Serlachius museums

The Gösta Serlachius Fine Arts Foundation maintains two museums in the city of Mänttä, three hours’ drive from Helsinki: An art museum in the Joenniemi manor and a cultural history museum in the former head office of the forestry giant G.A.Serlachius Ltd.⁴⁸ In 2014 the foundation, which was established in 1933 with the purpose of building and maintaining an art museum in Mänttä, opened a new extension next to the art museum’s manor house. In its museums, the foundation hosts exhibitions and presents its vast collection of Finnish and Nordic golden age art and older European art as well as contemporary art, and keeps a residency for artists from all over the world. Mänttä is the town where the family company started in 1868 and had its head office until the 1980s.

Today the foundation hosts several thematic art exhibitions per year. Prior to the new museum extension “only” one summer exhibition was held. Thus there has been an immense increase in activity and number of visitors. Apart from the impact that the museum has had on the art and cultural development in Finland, the establishment has generated a positive input on entrepreneurship and business life in Mänttä. A recent report from the University of Vaasa indicates that visitors leave an average of EUR 49 per person during their visit in Mänttä. Thus in 2015, when the Serlachius museums had 110,000 visitors, the economic impact for the town was EUR 5,390,000.

Different organizational forms and innovative financing methods are on the rise

While foundations are the most common organizational form for philanthropy in the Nordic region, with 90% of respondents report giving through such vehicles, other forms and innovative financing methods are also used. The second most popular method is to give profits or dividends from businesses owned by the respondent or his/her family, while others make a donation of capital or shares to the foundation they have set up – with proceeds from the assets being used for philanthropic purposes. In some cases, art collections have also been gifted.

The GoodCause Foundation, founded by Stefan Krook together with Robert af Jochnick, Per Ludvigsson and Karl-Johan Persson in 2005, is an interesting example of an innovative way of raising capital to charity and social development using entrepreneurship and business ventures. So far approximately SEK 53 million⁴⁹ has been donated to partner organizations.

The GoodCause Foundation - raising capital through entrepreneurship

The vision behind GoodCause Foundation is to use entrepreneurship to generate capital that is donated to organizations that work for a better world. To date, the foundation has established four companies GodEl, GodFond, GodDryck and GoodCause Invest 1. Together, the companies have generated approximately SEK 53 million that have been donated to partner organizations with the ambition to develop a better society.⁵⁰

“GoodCause Foundation is an innovative way to raise funds that are used for societal change. It shows the power of entrepreneurship and a new way of doing business”, says Stefan Krook, co-founder of GoodCause Foundation.

Johan H. Andresen has chosen a slightly different organizational model for his philanthropic engagement. Mr Andresen invests in social entrepreneurs and instead of establishing a foundation he has integrated the investment activities as a division in the regular investment company Ferd. The following example describes his venture in greater detail.

Ferd Social Entrepreneurs

Johan H. Andresen, together with his family, owns Ferd – a Norwegian investment company. In 2006 Mr Andresen learned about “venture philanthropy” (VP) a concept that incorporates practices from finance and business to achieve philanthropic goals. Based on these insights, Mr Andresen in 2009 established a new business division “Ferd Social Entrepreneurs” (FSE) within the existing investment firm.

FSE invests in social entrepreneurs by supporting ventures aiming at improving the opportunities for young people and children. They provide their portfolio companies with funding, network, and expertise in business development and strategy, with access to the whole resource base of the investment company. The requirement is that the portfolio firms should have an innovative solution to societal challenges and that they are driven by social returns. Additionally, the portfolio firms need to have a solid financial model so that it can scale up its activities. The funding is in the form of soft loans, convertible loans, guarantees, grants, and/or equity. By 2016, seven of their portfolio companies had grown enough to be able to support themselves without financial backing from FSE.⁵¹

Laurent Leksell, on the other hand, has established a regular limited liability company (swe: aktiebolag) to preserve more freedom and flexibility to operate.

Leksell Social Venture – initiator of Sweden’s first Social Impact Bond

In 2013, Laurent Leksell, Founder and Chairman of the board of Elekta AB, together with his family, founded Leksell Social Ventures AB (LSV). LSV is a non-profit social impact investment

company that supports social enterprises and social innovation in Sweden. It is organized as a limited liability company and focuses on initiatives that address social and economic marginalization, integration and works for a sustainable community development.

“All profit from LSV is retained in the organization so that the philanthropic capital could be reinvested to create further social welfare. LSV facilitates collaboration between private, public, and non-profit sectors through financing and their networks. We provide financial guarantees, credits, and equity investments”, says Mr Leksell founder of LSV.

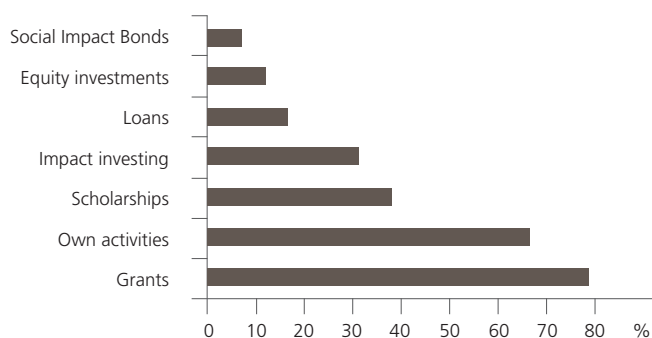
In the spring of 2016 LSV, together with Norrköping municipality, initiated the first pay-for-performance-contract (Social Impact Bond) in Sweden. The program aims to help and reduce the placement and re-placement of vulnerable youth and children in government social housing and foster care including tutoring support to improve education. The collaboration is an innovative form of financing of public welfare goods; it also brings together new constellations of actors to work together for the benefit of a social cause. The project received public attention and was awarded an annual prize “Årets Välfärdsförnyare” in May 2016.⁵²

Social Impact Bonds are another way of engaging in philanthropy and support social enterprises. This also leads to new forms of innovation, where public private partnerships are formed to create results where for example a grantor only pays for real impact.

Financing mechanisms – grants dominate

Despite interest in new financing mechanisms, grants and operating own activities remain the most common financing methods, followed by providing scholarships. Impact investing is cited next, with loans and equity investments rarer. Although Social Impact Bonds (SIB) are a relatively new form of financing, interviewees cited an interest in developing new financing tools, of which SIBs could be an interesting option.

Figure 6: Financial mechanisms in use by philanthropists



Note: Respondents could provide multiple answers. (N=40)

'Own activities' includes many different undertakings, such as organizing seminars and conferences, competitions and auditions, awards, residencies for artists, impact hubs or science parks. Educational and mentoring programs were also included many times in this category. It is worth noting that aside from considering the financing mechanisms of supporting social causes, many foundations put considerable effort into managing and effectively investing the foundation endowment, the returns of which are often used for philanthropic causes. Foundations that hold shares in a company have an obligation to manage the funds and company in which they hold shares. For this type of foundation, it is often written in the statutes that the foundation will work for the company's good governance and long-term financial sustainability. In other cases, the foundation may be separated from the family company, but with the foundation still owning shares in the company.

This is not a particularly new financing model for foundations, but it is slightly different in the way that its assets can grow exponentially with the success of the company and may sometimes entirely depend on the company's financial performance. Hence, if a company has a positive outlook financially, the foundation may be braver in planning long-term activities and taking on more risks for greater impact. The Kone Foundation in Finland is one such example.

Kone Foundation – an alternative to mainstream funding of art and culture

In 1956 Heikki H. Herlin and Pekka Herlin, executives of the Finnish company Kone, established the Kone Foundation. Today the foundation is independent from the company but it continues to invest most of its assets in Kone. The strong performance of the company has enabled the foundation to develop and expand its activities over the last decade. Today the foundation supports academic research and arts and culture. When Pekka Herlin passed away in 2003 his daughter Hanna Nurminen took over as chairwoman of the board.⁵³

"Our work aims to make the world a better place by supporting initiatives in both academic research and in the field of arts and culture, we want to be an alternative to the mainstream. We constantly develop our operations so that new and bold ideas can come to life", says Hanna Nurminen chairwoman of the Kone foundation board.

The Novo Nordisk Foundation is another interesting case of how to integrate societal engagement and business activities.

Novo Nordisk Foundation – an example of a foundation with corporate interests

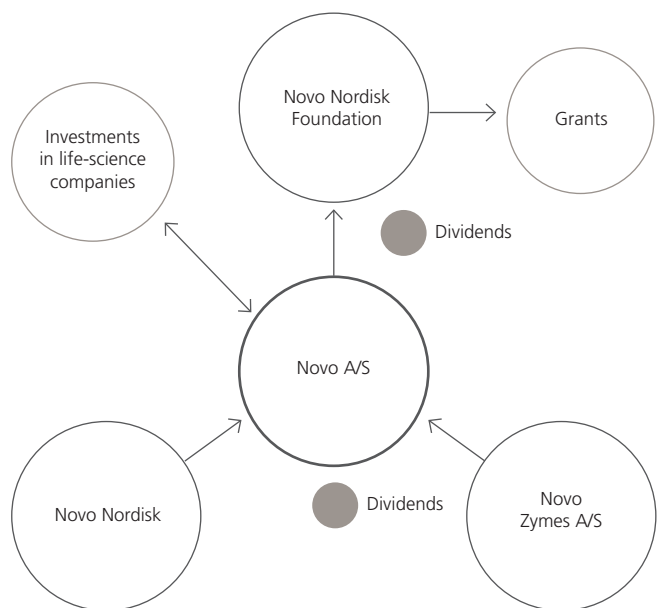
The Novo Nordisk Foundation is an independent Danish foundation with corporate interests. The Foundation owns Novo A/S, the holding company in the Novo Group, which is responsible for managing the Foundation's commercial activities.⁵⁴ Novo A/S manages the Foundation's controlling interests

in Novo Nordisk A/S and Novozymes A/S (both companies are listed on the Copenhagen stock exchange). Novo A/S is also responsible for managing the Foundation's assets through long-term investments in the life sciences; selected direct investments in companies headquartered in Denmark; and financial investments in bonds and equities. The purpose of the investments is to achieve a return that the Foundation can award as grants for scientific, humanitarian and social purposes. Figure 7 shows the structure of the Novo Nordisk Foundation Group.

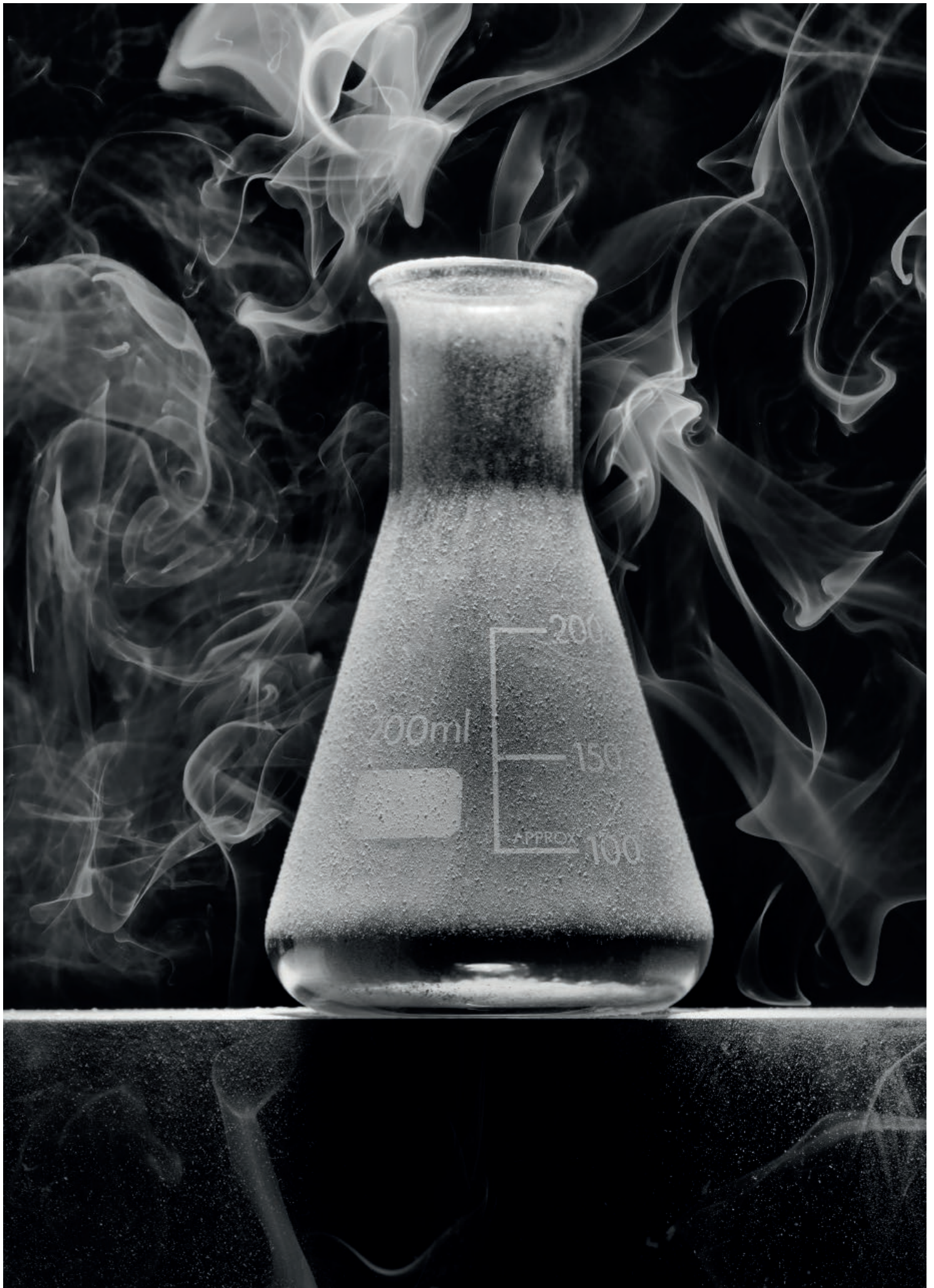
The history of the Novo Nordisk Foundation dates back to 1922 when Nobel Laureate August Krogh returned from a lecture tour in the United States and Canada with permission to manufacture insulin in the Nordic countries. He and colleagues founded the nonprofit Nordisk Insulinlaboratorium and the Nordisk Insulin Foundation. Due to personal conflicts, two valued employees soon left the company and in 1925 they founded a rival company, Novo Terapeutisk Laboratorium that also manufactured and sold insulin. Later they established the Novo Foundation.

In 1989, after decades of rivalry, Nordisk Insulinlaboratorium, the Nordisk Insulin Foundation and the Novo Foundation merged to create the Novo Nordisk Foundation. The operating companies also merged to become Novo Nordisk A/S. Since the 1920s the different foundations have supported research within biomedicine and biotechnology, general medicine, nursing, and art history at public research institutions and hospitals. The Novo Nordisk Foundation also supports scientific research and humanitarian and social purposes.

Figure 7: Novo Nordisk Foundation Group



Source: novonordiskfonden.dk



Priorities and future outlook

Scientific research and care for children and youth dominates

Distinguishing between the categories supported by philanthropists can be difficult due to overlapping themes. For example, scientific research might cover a number of other categories such as environment and healthcare. The same could hold for education, social care, and children and young people.

Despite these constraints we conclude that the highest ranked areas are academic research and children and youth, followed by social care and education. No respondent ranked religion, sports, policy or emergency preparedness as their number one priority. Interestingly, although few respondents cited arts and culture as number one, half of them are involved in this area (the highest level of involvement seen in any single area). Similar results have been exhibited in previous studies on focus areas for foundations in the Nordic countries.⁵⁵

Table 2: Priority areas of interest and areas supported by Nordic philanthropists

Area	Ranked number one (%)	Supported (all areas, irrespective of importance) (%)
Academic research	38	43
Children and youth	16	43
Social Care	13	35
Education	13	38
Arts and culture	9	50
International	6	30
Environment	3	23
Healthcare	3	15
Sports	0	18
Religion	0	0
Policy	0	3
Emergency preparedness	0	0

Note: The first column shows how many respondents indicated one area as the most important (N=28). The second column measures how many respondents support each area irrespective of the importance attributed. Here more than one area is allowed, hence each respondent can choose more than one alternative (N=40). The areas are selected from the Swedish income tax law for foundations.

A primarily domestic affair

Most respondents (71%) operate predominantly in their home countries, although more than half (59%) have some form of international activity. Only a few respondents direct their philanthropic engagement exclusively at foreign countries, and these tend to be in Africa and Asia. Very few are engaged in continental or eastern Europe.

The three most common responses to why a specific area was chosen are:

- This is the country where I live;
- We engage in societal development in areas where we have business; or
- This is where the impact is the greatest.

Table 3: Geographical focus of activities

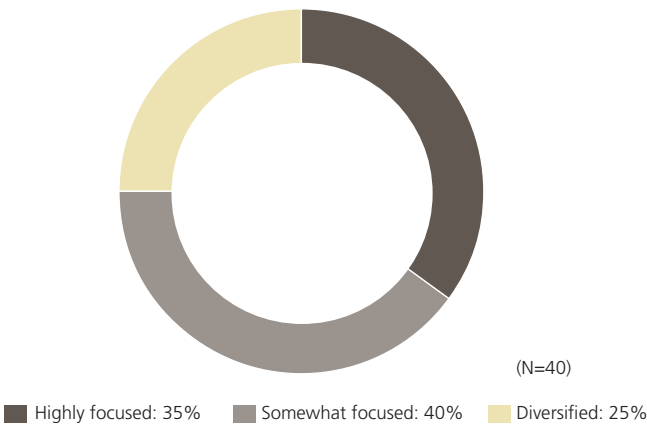
	Share (%)
My (and my family's) immediate community /city of living	20
Outside my city but within the municipality	12
Outside my municipality but within my country	71
Internationally	59

Note: Respondents could give more than one reply. (N= 40).

It is common for respondents to have a foundation that operates in one Nordic country while in addition supporting other organizations that operate internationally. Few respondents had established organizations that operated mainly outside their home country – for those that do, there are often clear links to the company connected to the family or foundation.

The majority of respondents are highly focused (one topic and one region) or somewhat focused (a few topics and a few regions). Twenty-five percent have a diversified giving strategy (many topics and/or regions).

Figure 7: Direction of philanthropy



Philanthropy is set to grow

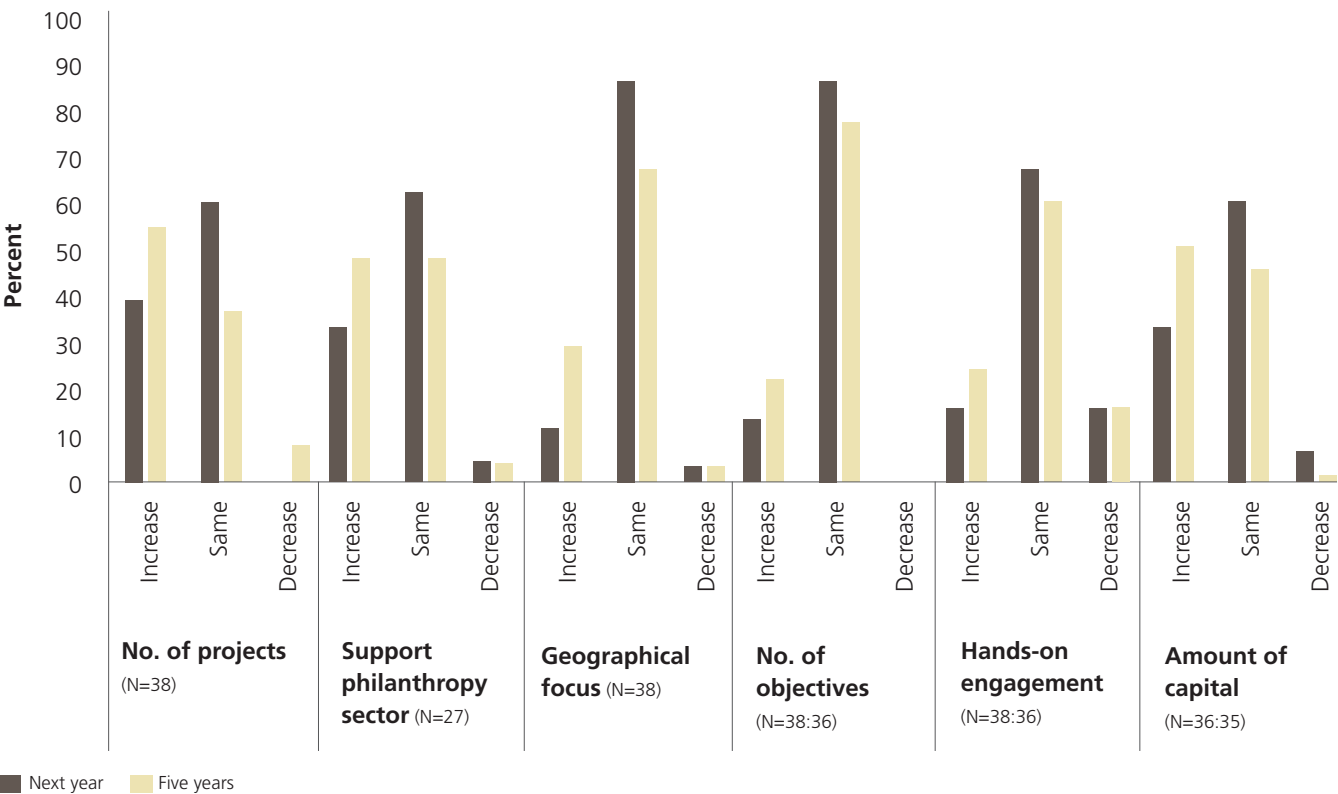
When asked about future plans, respondents noted that the number of projects will either stay the same or increase over the next year and five year periods. Less than ten percent said they will reduce the number of projects over a five-year period, and those that did attributed it largely to the respondent ageing or that they have restructured the organization and plan to focus their activities in fewer areas.

The geographical focus is more fixed. Most respondents plan to keep the same geographical direction as today. A few will increase and operate in more countries – typically acting on opportunities that arise and because issues are universal and the model applied is scalable to new geographical markets.

The number of objectives supported will in most cases remain the same. One reason is that respondents already have found the areas in which they are interested and see no reason to change this. Another explanation is that many organize their philanthropy via foundations, then focus areas are determined in the foundation’s statutes.

The level of hands-on engagement will in most cases stay the same. Some already work full-time with their organization, making it difficult to increase the amount of time spent.

Figure 8: Future trends in Nordic philanthropy



Over a one-year horizon, most respondents do not plan to change the amount of capital they will give. Over a five-year horizon, many plan to increase their donations. One crucial aspect in terms of donation levels is that those foundations with shares in companies are dependent on the businesses' performances. The same holds for foundations that donate returns from their endowment.

How to move forward and engage more philanthropists

The respondents highlighted a number of ways in which more individuals may be incentivized to engage in philanthropy. These can be classified into three groups:

Tax and financial incentives

Many of the respondents put forth the importance of tax deductions as a way to incentivize more giving. All four countries have updated and modernized their laws and regulations governing foundations, as well as monitoring of the sector. Finland and Norway have for example implemented matching programs for donations to academic research and universities. The Finnish government matches every euro donated with EUR 2.5 in the first round and EUR 3 in the second round, while in Norway the government supplements gifts above EUR 0.3 million at 25%. While these policy schemes are important in themselves, they are also useful signals of attitudes towards private initiatives and philanthropy. In Sweden, meanwhile, the possibility to deduct taxes on gifts of up to around EUR 630⁵⁶ was introduced in 2012 but rescinded in 2016.⁵⁸ Tax deductions remain possible on the donation of company dividends.

More role models

The interviews reveal the importance of successful philanthropists being role models talking about their philanthropy and achievements. There seems to have been a shift in recent years with, for example, a rise in philanthropists becoming more public about their giving. There is also more information available on foundations, with many having informative websites and news about donations and projects receiving greater media attention.

Respondents cited the need to engage more role models from the business world – to encourage companies and business owners to engage in philanthropy, social investments and community involvement. In this context, impact measurement plays an important role. It is easier to talk about engagement with, and contribution to, society if backed up with a solid evaluation and assessment.

Government agencies, procurement and bureaucracy

A further issue raised was relations with public authorities and government agencies, procurement processes and the level of bureaucracy. The municipality and/or the county is often the main client of the social entrepreneur, so if the public system is not designed for them it could constrain new and existing social entrepreneurs from moving to scale.

“We established the Grieg foundation in 2002 by donating 25% of the shares of the Grieg group. How much we can donate thus depends on the performance of the firm.”

Per Grieg Sr., philanthropist and founder of the Grieg foundation.

Conclusion

The aim of the report is to deepen our knowledge about the practice and impact of philanthropy in the Nordic countries. The study focuses on issues such as donor motivation and aspirations, practices and orientation, challenges as well as tools and resources that might increase giving and improve the impact of philanthropy. We consider the Nordic countries, with their specific characteristics of being high-taxed and comprehensive welfare states combined with a distinct egalitarian tradition, to be particularly interesting when examining the motivations, causes and outcomes of philanthropy.

The analysis reveals interesting trends and characteristics of Nordic philanthropy. In recent years there have been changes in philanthropic giving. Individuals tend to give earlier in their lives and take a more active role in the projects and the organiza-

tions they support. There is an increasing interest (globally and in the Nordic region) in measuring and evaluating philanthropy's impact. Moreover, organizational structures and management intentions among the respondents reveal a preference for giving to a few areas rather than a diverse engagement that embraces many different organizations and causes. In general, giving seems to have become more strategic, more proactive and with a greater focus on achieving measurable social impact. There is also a growing interest in new and innovative forms of giving. Recent examples from the Nordic countries are venture philanthropy, social impact investing, and social impact bonds. The interviews show clearly that philanthropy does not exist in isolation from public funding and institutions, rather that philanthropy complements public funding in providing public goods.

There seems to be a common understanding that knowledge about philanthropy, and how it can contribute to developing society, needs to improve. Successful role models are important to incentivize more potential philanthropists, while tax incentives may influence positively the level of giving. Yet the government system must also be reformed so that social entrepreneurs stand a better chance of winning public contracts and are thereby able to participate in solutions to important societal problems.

The Nordic model of philanthropy has strong links to entrepreneurship and business venturing. Many Nordic philanthropists are successful entrepreneurs that bring their entrepreneurial mindset to their philanthropic engagement. They are trained to both identify challenges and find solutions. Developing and leading successful international ventures expands the

mindset of what is possible. The interviews reveal that many see philanthropy as a form of social engagement and as a tool to bring social development to the Nordic community and abroad. There are several examples of Nordic philanthropists integrating their philanthropic engagement with their business venturing. Everything speaks to the combination of entrepreneurship, philanthropy and financial resources being a powerful source of societal development. Nordic philanthropy is in a strong position and likely to enhance its impact as it gathers the experience and skill to become an even stronger societal force.

Methodology

41 interviews were conducted in person or by telephone over the course of 2016 with individual philanthropists and with representatives of private foundations in the Nordic region. Nine interviews were conducted in Denmark, six in Finland, eight in Norway, and eighteen in Sweden. We would like to thank all those who participated.

The sample was selected to represent a diversity of genders, ages and types of philanthropic engagement. Foundations were included even where the heirs or original family members are no longer involved but where these foundations remain among the largest suppliers of philanthropic capital in their respective country.

The analysis and conclusions presented in this report are our interpretation of the combined interviews. No finding should be attributed to any given respondent.

Further, we would like to stress that the study does not claim to present a complete picture of philanthropy in the Nordic countries in the sense that the respondents constitute a statistically representative sample of all philanthropists. However, those who have participated in the survey comprise an interesting and devoted group of philanthropists and foundation representatives, likely to mirror ongoing trends and development within

philanthropy in the Nordic countries. They could also be said to represent the forerunners in the development of philanthropy. Still, we only capture a fraction of all those involved in philanthropy.

The following data relate to the individual interviewees – philanthropists or foundation representatives – rather than the organizations they represent:

- Interviewees are aged between 35 and 84 years, with an average of 61 years.
- 36 percent are female and 64 percent are male.
- They have an average of more than 20 years' engagement in philanthropy, with a range of one year to almost 50 years.
- Five of the respondents are foundation managers or chairpersons of foundation boards.

A list of respondents who wished to be attributed can be found on page 39 together with a brief description of their philanthropic engagement. Some of the respondents have chosen to remain anonymous. Because of their wish for anonymity they are not included in the list of respondents in appendix.

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Footnotes

- ¹ One important exception is “Sista fracken inga fickor har” edited by Braunerhjelm and Skoogh (2004).
- ² Denmark, Finland, Norway, and Sweden.
- ³ According to the OECD Standard of Living indices, the Nordic Countries are among the top 10 OECD countries in terms of “life-satisfaction” (OECD Better Life Satisfaction, 2016).
- ⁴ Berggren and Trädgårdh (2013); Sinani et al. (2013). All Nordic countries face varying degrees of challenge with regard to the quality of the education system, with Sweden being in the most exposed situation according to OECD’s investigation (the PISA-rankings).
- ⁵ Berggren and Trädgårdh (2013, p. 14).
- ⁶ Vidje (2013, p. 10).
- ⁷ Kautto et al. (1999) summarized by Vidje (2013, p. 10).
- ⁸ Thomsen et al. (2015).
- ⁹ Thomsen et al. (2015).
- ¹⁰ There are about 10,000 non-industrial foundations and 1,300 industrial foundations in Denmark (Thomsen et al., 2015).
- ¹¹ Thomsen (2012a&b).
- ¹² The term “industrial foundation” refers to that the foundation owning shares in a company or conduct business (Thomsen et al., 2015).
- ¹³ Tifp.dk.
- ¹⁴ Tifp.dk and Thomsen et al. (2015).
- ¹⁵ Thomsen et al. (2015); Nielsen (2014) and tifp.dk.
- ¹⁶ This section is based on Herberts and Hohti (2015).
- ¹⁷ The government matches funds received by the universities during the time period 1.11.2014 to 30.6.2017.
- ¹⁸ Norway had Danish as a written language prior to the 19th century.
- ¹⁹ Dugstad and Lorentzen (2010).
- ²⁰ Dugstad and Lorentzen (2010).
- ²¹ Norwegian: Lotteri- och stiftelsestilsynet.
- ²² lottstift.no. In 2009 the amount was ca. EUR 0.3 (NOK 2.7) billion, in 2010 ca. EUR 0.36 (NOK 3.2) billion and in 2011 EUR 0.33 (NOK 3) billion.
- ²³ One EURO corresponds to NOK 0.11 and SEK 010 (201601205).
- ²⁴ NOK 500.
- ²⁵ Skatteetaten.no.
- ²⁶ NOK 3 million.
- ²⁷ Sjögren (2012). SEK 350,000.
- ²⁸ Einarsson and Wijkström (2015). SEK 270 billion.
- ²⁹ See Silfverstolpe (2012) for further requirements and a discussion of the Swedish tax law.
- ³⁰ Swedish: kvalificerade allmännyttiga ändamål.
- ³¹ See aktiegavan.se for further information.
- ³² Trygg means “safe” in Swedish and is the family name of the founder Agneta. Trygga Barnen translates into “safe children” and Trygga Vuxna to “safe grown-ups”.
- ³³ Safe Festivities in English.
- ³⁴ Safe Suspension Bridge in English.
- ³⁵ Safe Heros in English.
- ³⁶ See charityrating.org for more information.
- ³⁷ See givarguiden.org for more information.
- ³⁸ See evaahlstromsstiftelse.fi for further information.
- ³⁹ See for example Sjögren (2004) for a discussion about attitudes towards entrepreneurship and foundations in a Swedish perspective.
- ⁴⁰ See lauritzenfonden.com for detailed information about the new strategy.
- ⁴¹ See norrskenfoundation.se for further information.
- ⁴² More than one answer was allowed.
- ⁴³ Protus originates from Finland. The concept was initiated as an alternative to traditional confirmation camps. The organization is religiously and politically independent. See protus.se to read more.
- ⁴⁴ For more information, see ekskaret.nu.
- ⁴⁵ See www.bmcfond.dk for further information.
- ⁴⁶ EVPA (2015) provides a five-step framework for impact measurement. The process starts with setting the objectives – the philanthropic goal - and then model takes the analyst through the whole process to monitoring and reporting. The model is dynamic and the analyst can go back and forth between the steps as the organization and measurement process develops. It can also be applied to organizations or projects of different size.
- ⁴⁷ <http://www.johnnurmisenensaatio.fi/en/about-us/>.
- ⁴⁸ For more information, see serlachius.fi.
- ⁴⁹ Corresponds to approximately EURO 5 million.
- ⁵⁰ For more information, see goodcauseideas.se.
- ⁵¹ For more information about FSE see <http://ferd.no/en/startpage>.
- ⁵² For more information about LSV see leksellsocialventures.com.
- For information about the prize www.leksellsocialventures.com/#s=news.
- ⁵³ For more information see foundation web-page koneensaatio.fi/en/.
- ⁵⁴ For more information, see novonordiskfonden.dk/en.
- ⁵⁵ See for example Ahdekivi (2016) for Finland; Einarsson and Wijkström (2015) for Sweden; and Lotteri-stiftelsestilsynet (2012) for Norway.
- ⁵⁶ SEK 6,000.
- ⁵⁷ The tax deduction corresponds to a value of EUR 153 (SEK 1,500).
- ⁵⁸ In English “The last tailcoat does not have pockets: philanthropy and economic growth”. See also Acs and Braunerhjelm (2005).

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Study team

Swedish Entrepreneurship Forum: Research - Network – Debate

Swedish Entrepreneurship Forum is the leading network organization for generating and transferring policy-relevant research in the field of entrepreneurship and small enterprise development.

The forum aims to:

- serve as a bridge between the small business research community and actors active in the development of new and small enterprises;
- initiate and disseminate research relevant to policy in the fields of entrepreneurship, innovation and small and medium-sized enterprises;
- offer entrepreneurship scholars a platform for sharing ideas, building national and international networks, and bridging the gap between research and practical application.

Philanthropy Forum

In 2011, Professor Pontus Braunerhjelm founded Philanthropy Forum as part of Swedish Entrepreneurship Forum, with the aim of elucidating the role of philanthropy for societal development based on academic research. Philanthropy Forum serves as a platform for people from academia, business and policy that are interested and involved in philanthropy. The forum is led by a steering group with members from Swedish industry and research and is the leading institute for knowledge creation about philanthropy in Sweden. It is also the organizer of Swedish

Philanthropy Summit: an annual conference on philanthropy that brings together researchers, philanthropists, decision makers and practitioners from Sweden and abroad.

entreprenorskapsforum.se

About the authors

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Pontus Braunerhjelm is Professor in Economics at KTH Royal Institute of Technology, Stockholm and Research Director at Swedish Entrepreneurship Forum. His research centers on entrepreneurship, innovation and small firm formation and their role in societal dynamics and economic growth. He is co-editor of the book "Sista fracken inga fickor har". Braunerhjelm has chaired two investigations commissioned by the Swedish government: one on conditions for globalization and one on entrepreneurship.

Respondents

Of the 41 interviewees, the following agreed to be named in the report. Those that preferred to remain anonymous were three in Denmark, two in Norway and two in Sweden. We are grateful to everyone who participated in the study and shared their insights.

Denmark

Flemming Besenbacher, Chairman of the Board of the Carlsberg Foundation

The Carlsberg Foundation is one of Denmark's largest commercial foundations. Dividends paid out on its shares in Carlsberg A/S are used by the Carlsberg Foundation, the New Carlsberg Foundation and the Tuborg Foundation to allocate more than DKK 400 million per annum to basic research, culture, art and the environment as well as to the Carlsberg Research Laboratory and two internationally acclaimed museums.

Peter M. Claussen, Chairman of The Bitten and Mads Clausen foundation and Fabrikant Mads Clausens foundation

The Bitten and Mads Foundation is an industrial foundation that, together with the Clausen family, is the controlling owner of Danfoss A/S. The foundation supports Danfoss A/S through grants and projects that positively impact the company, its employees and the local communities in which Danfoss A/S is present.

Inge Grønvold, Managing Director of the Lauritzen Fonden
Established in 1945, Lauritzen Fonden is a commercial foundation with humanitarian activities. The foundation is parent company to J. Lauritzen A/S, DFDS A/S and LF Investment ApS. The main focus of the foundation's humanitarian work is to provide opportunities to vulnerable youth and kids to become active and involved citizens in Denmark.

Birgitte Nauntofte, CEO of the Novo Nordisk Foundation
The Novo Nordisk Foundation was established in 1989 through a merger of Nordisk Insulinlaboratorium, the Nordisk Insulin Foundation and the Novo Foundation. Operations began in the early 1920s when Nobel Laureate professor August Krogh and colleagues started producing insulin for the Nordic countries. Today, the foundation supports research and invests in life science companies through its wholly owned subsidiary Novo A/S, which is responsible for managing the foundation's commercial activities.

Bjørn Ragle, philanthropist and founder of the HR foundation
The HR foundation was established in 2007 following a donation by Dorrit and Bjørn Ragle. The proceeds from the endowment are donated to projects that aim for long-term development and education in developing parts of the world.

Jörgen Huno Rasmussen, Chairman of the Board of the Lundbeck Foundation and Trygfonden

The Lundbeck Foundation is an industrial foundation that was established in 1954. Its main objective is to maintain and expand the activities of the Lundbeck Group, and to provide funding for scientific research of the highest quality. The foundation donates DKK 400-500 million annually to research and dissemination of research. Trygfonden is dedicated to safety in Denmark by focusing on the development of security building projects. In recent years the foundation has donated DKK 550 million annually.

Finland

Pia Alsi philanthropist and chairwoman of the board, the Foundation of August Ludvig Hartwall

In 2014 direct heirs of the Finnish entrepreneur August Ludvig Hartwall in the fifth and sixth generation founded the Foundation of August Ludvig Hartwall. The foundation supports families and individuals in need of help because of social, medical or age related circumstances. It also supports environmental issues and aims to support entrepreneurship, and academic research within these areas. The main focus area is Finland but the foundation can also support activities globally.

Maria Bondestam, philanthropist and co-founder of the Eva Ahlström Foundation

The Eva Ahlström Foundation was founded in 2010 by several of Eva Ahlström's heiresses. It aims to support unprivileged women, children and adolescents in Finland and internationally by cooperating with established NGOs.

Peter Flandern, philanthropist and founder of the Petra Flandern Foundation

The foundation's purpose is to improve the quality of life for cancer patients when conventional medicine no longer helps. The foundation informs about the opportunities that alternative medicine can offer and aims to clarify how human physical features

are influenced by mental and spiritual forces. Peter Flandern runs a website and organizes seminars on relevant topics.

Hanna Nurminen, philanthropist and chairwoman of Kone Foundation board

The Kone Foundation is dedicated to supporting bold initiatives in academic research and the arts. It was founded in 1956 and it aims to provide new alternatives in arts, culture and research policies in Finland. Hanna Nurminen, the chairwoman of the foundation's board, is daughter of Pekka Herlin, one of the Kone foundation's founders.

Juha Nurminen, philanthropist and founder of the John Nurminen Foundation

The John Nurminen Foundation was established in 1992 by Juha Nurminen and works to promote marine cultural heritage and for the benefit of the Baltic Sea. The foundation supported 17 projects between 2005 and 2015, the majority aiming to improve wastewater treatment plants. The foundation also publishes books in the field of marine cultural heritage.

Susanna Serlachius-Pressler, philanthropist and Vice Chairman of the board of the Gösta Serlachius Fine Arts Foundation

The Gösta Serlachius Fine Art Foundation was established in 1933 to care for Gösta Serlachius' vast art collection. The foundation runs two museums and a residency for visiting artists. In 2014 the foundation opened a new extension of the art museum in Mänttä – the town where the paper company G.A.Serlachius Ltd was founded in 1868 and where the head office was situated. Susanna Serlachius-Pressler is one of the family representatives on the foundation's board.

Norway

Johan H. Andresen, philanthropist and founder of Ferd Social Entrepreneurs (FSE)

FSE invests in social entrepreneurship by supporting companies aimed at youth and children facing challenges. FSE provides its portfolio companies with funding, network and expertise in business development and strategy. FSE is organized as a regular division within the Ferd investment company.

Per Sr Grieg, philanthropist and founder of the Grieg Foundation

Founded in 2002, the foundation owns 25% of the Grieg Group, a Norwegian shipping, logistic, seafood farming and investment company. The foundation supports projects related to youth and culture work both in Norway and internationally. It also contributes to a wide range of projects in, for example, health and research.

Inger Elise Iversen, CEO of the Kavli Trust

Knut Kavli founded the Kavli Trust in 1962 with the aim of creating a long-term and socially active owner of the Kavli food group. The trust owns 100 percent of the Kavli group. The ownership provides the basis for the trust's financial endowment; it also supports research, cultural activities and humanitarian work. Part of the profits are reinvested to strengthen and develop the Kavli group's operations.

Ingrid Stange, philanthropist and founder of Partnership for Change

Ingrid Stange is the founder of Partnership for Change (PfC) and several other NGOs and social enterprises in Norway. She is also on the board of directors for several organizations promoting social innovation. Her focus for the past 25 years has been venture philanthropy and social business, emphasizing gender, children and youth.

Mille Marie Treschow, philanthropist and founder of the Fritz Gerhard Treschow Memorial Foundation

The Fritz Gerhard Treschow Memorial Foundation was established by Mille Marie Treschow in 2000 in honor of her brother. The foundation gives out grants to students to encourage education and culture.

Atle Vårvik, the person behind the original idea and MOT's creator

In 1997 elite athletes Atle Vårvik and Johann Olav Koss started the organization MOT (Norwegian for courage). MOT works to develop robust youth, who include all. MOT works to give young people courage to live, care and say no. MOT has developed a program that they implement in participating schools. MOT is active in Norway, Denmark, Latvia, South Africa and Thailand.

Sweden

Niklas Adalberth, philanthropist and founder of the Norrskan Foundation

Established in 2016, the foundation supports and invests in non-profit and for-profit organizations that have a positive impact on society. The foundation has started an incubator that gathers social tech entrepreneurs and provides them with funding, expertise and networks. The Norrskan House opened in 2017.

Mikael Ahlström, philanthropist and founder of Charity Rating and Chelha

Charity Rating aims to provide tools to help individuals make informed choices in their giving. Charity Rating publishes "Givar-guiden.se" which is a guide on Swedish charities that contains information about existing organizations and how they spend their money. Mr Ahlström also established the Chelha foundation in 2008 with the aim of promoting democracy.

Rune Andersson, philanthropist, entrepreneur and founder of the Rune Andersson Scholarship Fund

Rune Andersson is the founder of the Rune Andersson Scholarship Fund. The scholarship supports students who wish to study abroad. Mr Andersson has supported the international Global Award for Entrepreneurship Research prize.

Tomas Björkman, philanthropist and founder of the Ekskäret Foundation

Entrepreneur Tomas Björkman laid the basis for the Ekskäret Foundation in 2008. The foundation owns Ekskäret island as well as the company (Ekskäret Conference AB) that runs activities on the island. Throughout the summer months the island is filled with adolescents from the Protus organization. Mr Björkman has also established a conscious co-working space in Stockholm.

Mikael Blomqvist, entrepreneur and philanthropist
Mikael Blomqvist supports organizations and causes related to the maritime sector, sports, young people, and arts and architecture. He contributes to the development of the local business and cultural environment in his home town of Karlskrona.

Tor Bonnier, Chairman of the Board of the Karl-Adam Bonnier Foundation (KAB)

KAB's purpose is to promote scientific education and research in business and corporate law. The foundation contributes to research and education through academic scholarships, institutional support, and by organizing seminars on relevant topics.

Ebba Fischer, philanthropist and chairwoman of the Crafoord Foundation

The foundation was established in 1980 with an initial donation of SEK 3 million from Holger Crafoord. The foundation promotes scientific education, research and healthcare for children and youth. Holger Crafoord is also the founder of the Crafoord Prize, which promotes international basic research, mathematics and astronomy, geosciences and biosciences, with a particular emphasis on ecology and polyarthritis (rheumatoid arthritis). The prize is awarded by the Royal Swedish Academy of Sciences.

Sven Hagströmer, philanthropist, co-founder of Berättarministeriet and founder of the Allbright Foundation

Berättarministeriet runs writing workshops for children and young people in socio-economically disadvantaged areas. The vision is a Sweden where everyone feels secure with the written word and has the skills to actively participate in society. Mr Hagströmer is also the founder of the Allbright Foundation, which promotes equality and diversity in senior positions in the business sector.

Bo Hjelt, philanthropist and founder of the Hjelt foundations
The Hjelt foundations consist of the Bo Hjelt Foundation for Spina Bifida and hydrocephalus in memory of Madeleine Hjelt, the Bo and Kerstin Hjelt Foundation for research into Diabetes II, and the Allan and Bo Hjelt Art Foundation. The main goals of the first two foundations are to support scientific research to increase knowledge and find preventions. The third foundation aims to bring additional culture and art to Finland.

Robert af Jochnick, co-founder and chairman of the board of the af Jochnick Foundation, and **Alexander af Jochnick**.
The af Jochnick Foundation was established in 2004 by the af Jochnick family. The Foundation supports projects directed towards children, youth, education and world health with a priority on projects that focus on self-help and entrepreneurship. Since its establishment, the foundation has supported more than 109 projects and organizations.

Sven-Harry Karlsson, philanthropist and founder of the Sven-Harrys art museum

The Sven-Harrys art museum is owned and operated by a foundation established by Sven-Harry Karlsson. The aim of the foundation is to promote activities in the fields of art history, architecture and construction. The museum consists of a 400 square meter art gallery divided into three large halls and located

in Stockholm city center. On the roof is a replica of Sven-Harry's former home, the 18th century manor Ekholmsnäs. It is surrounded by a terrace with sculptures. In this unique domestic setting visitors can see one of Sweden's largest private collections of Nordic art, with a special emphasis on works by Carl Fredrik Hill.

Stefan Krook, impact investor and co-founder of GoodCause and KIVRA

The GoodCause foundation was founded for the purpose of using entrepreneurship to generate financial resources for a better world. The foundation was established in 2005. Returns from companies established by the foundation are donated to charitable purposes. In 2013 Stefan Krook co-founded KIVRA with the aim of providing safe electronic post from government agencies and companies in order to minimize the environmental impact from traditional post.

Dr. Laurent Leksell, philanthropist and founder of Leksell Social Ventures (LSV)

LSV was founded by the Leksell family with the aim of developing social innovation and collaboration between sectors. LSV is a limited liability company; all financial returns are reinvested in the company. The focus is on initiatives that address social and economic marginalization. LSV offers financial guarantees and debt and equity financing investments up to SEK 10 million, along with free grants on a more limited basis.

Mats Paulsson, philanthropist and founder of the Mats Paulsons Foundation

Established in 2011, the Mats Paulson Foundation supports research with a focus on medical research and life sciences, innovation and community building in the Skåne region. The foundation is the sole owner of Medicon Village AB, a life sciences village that hosts a large number of researchers, innovators and entrepreneurs who work for health promotion.

Stefan Persson, philanthropist and founder of the Erling-Persson Family Foundation and the H&M Foundation

The Erling-Persson Family Foundation was established by Stefan Persson, chairman of H&M, in 1999 in memory of his father Erling Persson, the founder of H&M. The foundation supports training programs for entrepreneurs, medical research and projects promoting child and youth development. The Persson family also founded the H&M Foundation which aims to drive long-lasting change and improve living conditions by investing in people, communities and innovative ideas.

Agneta Trygg, founder and chairwomen of Trygga Barnen and founder of Trygga Vuxna

Agneta Trygg established Trygga Barnen in 2011 and Trygga Vuxna in 2016. Trygga Barnen aims to support children in families with addiction problems with a vision of removing the shame and self-accusation. Trygga Vuxna aims to support adult relatives of people with addiction problems.

Appendix

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