



Hogan
Lovells

HL BaSE

Impact report

2020

HL BaSE – accessible legal support for business as a force for good



HL BaSE

HL BaSE is Hogan Lovells' international impact economy practice. We believe in business as a force for good.

For 10 years the HL BaSE practice has been working with the leading innovators and disrupters in the social economy space. Through our work we have supported 500 purpose-led businesses, but importantly we have seen so many of these ground-breaking organisations set the standard for the business community – providing challenge and example in their implementation of ESG at the core of their work.

Our goal is to ensure that access to legal support is not a barrier to scale, enabling organisations to grow their impact in a sustainable way.

Our mission is accessible legal support for business as a force for good.

“We have started the pathway towards creating a radically different, very much more sustainable economy. One that's low carbon and circular.

One that's based on diversity, inclusion, fairness and wellbeing. It will transform every aspect of what business does from finance to marketing; employment to supply chain management; innovation to sector collaboration. That's why HL BaSE is so important, preparing lawyers for how they advise on the transition through a deep understanding of the imperative for and potential of sustainable change.” Mike Barry, Responsible Business Expert

Please listen to the HL BaSE podcast with Mike Barry about driving change and finding solutions for a sustainable future here: <https://www.hoganlovellsbase.com/news/change-drive-sustainable>

Our impact

HL BaSE has advised in over 25 countries involving every one of the firm's practice areas to support the growth of the social enterprise and impact investment sectors.

We understand that legal support is just part of the picture, but in our experience the appropriate legal advice at the appropriate time can lay the foundations for increased and sustained impact.

**8000
hours**

In 2020, we delivered over 8000 hours of advice worth more than £4,000,000 given to over 140 impact lead client.

“Hogan Lovells has been supporting Ashoka and the social entrepreneurs in our global network for over a decade. We are so grateful for the expertise and professionalism that Hogan Lovells brings to helping our social entrepreneurs succeed, whether in raising capital, launching complex new social businesses or bringing innovative solutions to market. At this moment when the world needs social entrepreneurs more than ever, and to rise to the challenges posed by crises such as climate change and Covid, we are immensely proud to be global partners with Hogan Lovells” Mark Cheng, Senior Advisor for Europe and Asia, Ashoka

2020 has been a year that few of us expected and none of us are likely to forget. A global pandemic and the resulting cultural, economic and personal shocks and stresses that came with it; a huge rise in climate activism; and demonstrations against systemic injustice and racism all over the world has shifted society's focus like never before.

As a firm and a practice group, we are committed to ensuring that our work is focused on the areas that matter most to society, and we have worked hard to ensure that our work with social enterprises has the greatest impact possible. Whilst we have been working using the UN Sustainable Development Goals as the basis for our work for some time, the events of 2020 have caused us to focus on four key areas:

- 01 Advancing racial justice
- 02 Supporting Women & Girls
- 03 Protecting the environment and promoting conservation and sustainability; and
- 04 Responses to the impact of Covid 19

HL BaSE Training

Innovation from the start. HL BaSE Training is a cornerstone of HL BaSE, attended by our trainees and junior lawyers. As a mini-MBA style training programme, it delivers a sound understanding of business, finance and the importance of social impact to the way our clients do business.

Delivered in partnership with Ashoka, delegates learn business fundamentals and hear from inspirational business leaders, embedding the ideals of entrepreneurship and social impact into the way they think about business. Due to the restrictions imposed by Covid 19, the 2020 programme was entirely virtual, and involved participants from across our global practice with 160 delegates from 27 offices across Europe, Asia, Australia and the UAE.

“HL BaSE training is truly an impactful and rewarding experience for those who put in the effort and are not afraid to give it their best at facing a real client with legal issues in a fail-safe environment. It is equally rewarding for me as a mentor to observe our juniors in action and to provide timely feedbacks and encouragement.” Louise Leung, Partner, Hogan Lovells

A key part of the programme involves delegates being introduced to their own social enterprise client who they go on to provide with pro bono legal advice over the following 6 months.

"The time with our team was invaluable as they got to understand Mandala as an organisation and together we reached clarity on how they could help us and the stages we needed to go through" Yasmin Sidwha, Mandala Theatre Company

4

Continents

1050+

Lawyers trained

120+

Social enterprises advised

HL BaSE Catalyst

HL BaSE Catalyst is a programme of pro bono support for social enterprises provided by lawyers from Hogan Lovells alongside in-house counsel from our clients.

The programme is an example of the firm's commitment to Sustainable Development Goal 17, highlighting the importance of partnership in tackling global social and environmental issues. The social entrepreneurs who attend these workshop are inspiring individuals working to solve issues such as poverty and gender inequality in new and inventive ways. When we work with our clients to support these organisations we can scale our own impact and strengthen our client relationships on a shared value basis.

"BaSE is a global success model for social impact. Our workshops provide a suitable forum to compare notes with our lawyers and clients on an equal footing and to jointly generate solutions for advancing social projects" Tobias Faber, Partner.

"I found the session very interesting and engaging. It's great to hear from the inspirational social entrepreneurs."
David Robinson, General Counsel, Ford

"I would like to thank you with all my heart for giving me this wonderful opportunity. It's hard to put into words just HOW helpful and valuable this kind of support is for us."
Maria Steger, Managing Director, EduNet Europe gGmbH

9	115+	120
Countries	Client volunteers	Social enterprises

Buy Social



NEMI Teas is a London-based tea company that offers a variety of Organic & Fairtrade tea blends as loose tea and in plastic-free, biodegradable teabags. The company is also a strong believer in creating positive change through business and provides employment to refugees to help them better integrate in the UK.

It provides work experience to refugees which allows the refugees to boost their English skills, regain confidence and work on skills required to enter the UK job market.

"Hogan Lovells has been a great supporter of NEMI Teas and the social enterprise movement in general. They have supported our initiative significantly and helped us with amending our company structure along with exploring the legal requirements of exporting to the US." Pranav Chopra, CEO, NEMI Teas

Peace and reconciliation



Online hatred and digital violence are currently silencing half of our society, drawing people out of the online space that has become an integral part of the public debate. HateAid was founded in 2018 and supports those affected by digital violence through emotional support as well as security and communication counselling. It enables those affected in taking (civil) legal action against perpetrators and thus provides them with access to justice while covering the costs.

As part of its advocacy work, HateAid advises the judiciary and law enforcement agencies in Germany and other European countries on how to set the appropriate framework to curb digital violence. Hogan Lovells created a legal opinion on the legal limits of collecting IP addresses for fighting online hate.

“In our search for an expert who understands complex technical issues and does not shy away from unresolved legal questions, we found what we were looking for in Mr. Kuhlmann, who then provided us with reliable recommendations for action.”
Josephine Ballon, Head of Legal, HateAid

HateAid supported more than 800 victims through counselling and enabled almost 80 victims to file more than 400 criminal complaints and more than 80 litigation cases.

Supporting young women and girls



YBI is a global network of expert organisations supporting young people to start, grow and sustain their businesses, create jobs and strengthen communities. HL BaSE worked with YBI alongside our corporate clients to provide pro bono legal advice for finalists of YBI's Young Female Entrepreneur of the Year Award. The Award 2020 was a celebration of incredible female entrepreneurs and the culmination of YBI's five-year Youth Business Europe programme with Citi Foundation. Volunteer lawyers from across Europe, worked with the finalists on a legal needs analysis and where needed follow up legal advice.

“It was great to bring everyone together at the start of this fantastic opportunity for our finalist entrepreneurs. I know from speaking to them that they are really grateful and excited for this. It was also great to hear from the legal teams and we really feel that this project has potential to support even more entrepreneurs.” Linsey Humphries, People Manager, YBI

Over 26,000 young entrepreneurs across Europe have been supported to grow their business, create jobs, as well as invest in and strengthen their local communities.

The 2X Challenge was launched in June 2018 as a major new commitment of the development finance institutions (DFIs) from the G7 countries to unlock resources that will help advance women's economic empowerment and gender equality. These DFIs have since been supporting investments and initiatives that provide women in developing countries with access to leadership opportunities, quality forms of employment, finance, enterprise support, as well as products and services that enhance the inclusion or economic participation of women and girls. Since the launch, additional DFI and MDB members have joined to expand the commitment. Hogan Lovells is partnering with 2X Collaborative and has advised on issues of jurisdiction and corporate structure.

“Hogan Lovells' advice on our corporate structure and the implications of establishing ourselves in a number of jurisdictions has been vital for us in determining how and where 2X Collaborative will operate in future.” Alec Paxton, 2X Collaborative

Response to COVID-19



Big Society Capital launched a £28 million Resilience and Recovery Loan Fund for social enterprises and charities affected by the Coronavirus pandemic. These frontline organisations are responding to the needs of the most vulnerable and deprived sectors of our community, and many are facing significant financial difficulties. The fund, managed by Social Investment Business (“SIB”) enables social lenders to provide emergency loans to affected social enterprises and charities without requiring personal guarantees and without charging fees or interest for 12 months. Hogan Lovells advised Big Society Capital on its role as loan facility agent, security agent and lender.

“In the early phase of the pandemic, we worked with partners to create the Resilience and Recovery Loan Fund (RRLF), which allowed social enterprises and charities to access government loan schemes in a way that best suited their needs. This enabled many organisations to access critical finance to continue supporting communities during a challenging time. We needed to implement this vital facility as soon as possible after COVID-19 hit. So we were very grateful for the support of Hogan Lovells, who worked with us at speed at a time when the world was only just starting to adjust to remote working.” – Hazel Peck, Senior Legal Adviser, Big Society Capital

Of the final **£28 million** total, the Resilience and Recovery Loan Fund **approved funding to 77** charities and social enterprises across the UK, with **£24 million's** worth of loans and over **£3.9 million's** worth of grants approved.

Response to COVID-19



UnLtd is the UK's leading foundation of support to social entrepreneurs. It provides funding, advice, networking opportunities and practical support to social enterprises. UnLtd's work has been of particular importance during the COVID 19 pandemic, with social enterprises suffering heavily as a result of the economic impact of COVID 19. HL BaSE has advised members of the UnLtd network on amending their governing documents in order to be eligible for COVID-related grant funding, as well as providing training on mission locks and asset locks.

HL BaSE also seconded one of its own, Harry Wright to UnLtd during 2020, to work in the Investment & Delivery team which is responsible for facilitating two social finance funds. During the pandemic, Harry provided post-investment support to social enterprises across the funds, helping them to access vital support and assisting them with extra emergency grant funding.

He also worked as a grant assessor for the Social Enterprise Support Fund, a £18.7m grant fund for social enterprises, which offered emergency grants of £10,000 and £300,000 to social enterprises most affected by COVID-19.

“My time with UnLtd has been a great experience and has provided me with a valuable insight into the various complex challenges faced by social enterprises on a daily basis. Witnessing the robustness, determination, and innovative ways in which social enterprises responded to COVID-19, was inspiring to see and was a testament to the determination of the dedicated founders that I had the pleasure of working with.”
Harry Wright, Hogan Lovells secondee

Response to COVID-19

We know social entrepreneurs offer some of the best solutions to loneliness, community resilience and our nation's long term economic, social and cultural health. But we also know they consistently face systemic barriers in the pursuit of their social missions. The advice, support and guidance provided by Hogan Lovells for social entrepreneurs in 2020 has helped to address some of those barriers. By helping social entrepreneurs access funding, by delivering on commitments to social equity by providing resource in the form of a secondment and by supporting UnLtd in the creation of a new investment fund focussing on social purpose organisations from underserved communities we are changing the shape of the system. Hogan Lovells also made a direct difference to individual social entrepreneurs through one to one support, with everyone who accessed pro bono legal support through them rating it "extremely helpful. Here is the what it means to the individuals concerned:

Simon Rundle of Ivybridge Brewing: The advice I got was put into place very quickly and the response was rapid and very clear. This was important as I was up against a tight deadline.

Carla Hentall of Tech Pixies: Many thanks for this source of free advice, it was really valuable to help us to clarify our thinking and begin to move forwards with business planning." Beckie Knight-Croft, UnLtd

Environment



A Beijing-based B-Corp, Smart Air promotes cost-effective, data-backed air filters as a solution to indoor particulate air pollution. It creates simple, no-nonsense air purifiers to combat the impact of air pollution in many of the world's most polluted countries including China, India, Mongolia and the Philippines. Smart Air provides open-source data and hosts educational workshops across Asia to teach people how to protect themselves from the harms of poor air quality. Smart Air participated in HL BaSE Training 2020 and the firm has advised on corporate structure and shareholding agreements in various jurisdictions including Mongolia.

“The HL BaSE weekend organised by Hogan Lovells was a real eye-opener for Smart Air. It not only allowed us to meet face-to-face with lawyers – something we’ve never had the budget to do – but also meet other like-minded social enterprises. The work Hogan Lovells is doing not only provides support to social enterprises like Smart Air, but also helps grow the community and strengthen the movement. Smart Air was given 6 months of pro-bono legal advice, which helped us explore the right company structure and legal model for our social enterprise. Without Hogan Lovells’ support, we would still be struggling with where to start on this complex task. Hogan Lovells has provided Smart Air with continued pro-bono support. Not just as part of the incredibly inspiring 2 day HL BaSE weekend, but also by providing legal advice on trademarks at a later stage. Knowing that a team of reputable, competent lawyers are able to help Smart Air gives us huge comfort, and allows us to focus more on creating social impact.” Paddy Robertson, CEO, Smart Air

Smart Air is part of HL BaSE’s Earth Fixers series with *Pioneers Post* highlighting entrepreneurial minds that are helping to restore the planet through people-centred innovation: https://immersives.pioneerspost.com/social_enterprise_affordable_clean_air/index.html

Environment



Mexico-based NUUP creates market-based solutions for smallholder farmers by facilitating information flows, and promoting transparency in agricultural value chains while enabling sector-wide collaboration. NUUP provides advice to companies, small-scale producer groups and allied social organizations in the development of agri-food value chains with economic, social and environmental impact.

"We are very grateful for the support HL gave us. They helped us navigate complex contract design and develop technology and data management models that are ethical and serve farmers first. They supported Nuup with legal advice that enabled the contractual framework of a first pilot in Mexico bringing disruptive sensor and internet of things technologies to milk producers in family farms. With these technologies, producers will have daily detailed information on their ranches, which will allow them to improve their daily operations and planning. The expected effects are that they will improve their performance, their early detection of diseases, and in turn, their income. In addition, these technologies may allow improving the environmental sustainability of the farms as well as the time that the producer dedicates daily to these activities. In the context of COVID 19, these technologies become even more important by allowing the producer to receive digital advice. We implemented these pilots 6 months ago and while we still have at least 9 months to go we are already seeing initial impact in farmers improvements in reducing costs and increasing income." Maria Luisa Luque, Co-Founder, NUUP

68%

Of the 4 million farmers in Mexico, 68% work less than 5 hectares of land, though they produce almost 40% of the food that the country consumes.

Environment



Futuro Forestal’s vision is to create a better world with an environmental infrastructure that is economically viable and in harmony with nature. Generation Forests are permanent, and biodiverse tropical forests that are profitable and generate environmental and social benefits – forever. To plant generation forests, Futuro Forestal cooperates with forward-thinking investors interested in balancing long-term returns with environmental and social benefits, to tackle climate change and related environmental challenges. Generation Forests absorb CO₂, provide habitat for wildlife (they have already seen jaguars come back!), restore degraded soils and water resources. Through the production of certified fine tropical timber, the forest generates fair employment opportunities for local communities as well as long-term returns for investors.

“Hogan Lovells’ support has been crucial in our effort to scale up our activities to a new level. Daniel and Sophie have been working with us with the same passion our team is working on scaling up the Generation Forest, they have become part of our team” Andreas Eke, Director, The Generation Forest

“It was a pleasure to support Andreas and the project team in the effort make the Arboreal vision become reality. We particularly enjoyed being part of a highly-professional team which is committed to taking the generation forest idea to the next level by creating a structure which is capable of attracting large scale impact investment capital.” Daniel Dehghanian, Partner, Hogan Lovells.

Over 9000 hectares of degraded land in Panama and Nicaragua reforested

More than 10 Mio. Euro invested to create new Generation Forests

Environment

glassic.
shaping a sustainable world

glassic is a German-based environmental start-up which tackles the plastic pollution in South-East Asia directly at its root cause. By introducing a reusable glass bottle system glassic changes the consumption paradigm from linear to circular. By selling drinking water in multi-use glass bottles, glassic found self-sustaining businesses as a baseline for additional actions. Through education, awareness creation as well as the consistent organization of clean-ups, the organisation aims to create long-lasting change. We are advising glassic on the incorporation of a German non-profit limited liability company (gemeinnützige GmbH), with a particular focus on corporate and tax law issues.

“Our Advisors showed consistent commitment to support glassic in their vision and took plenty of time to understand our core needs. With their support and advises we could make sure that our German entity is getting set up correctly while having all requirements clearly in mind.” Patrick Bombik, Founder

90%

By selling over 500000 glassic bottle the business will avoid over 11 tons of plastics while cutting CO2 emissions by over 90%

Advancing racial justice



Your Start-up, Your Story connects talented diverse people to the right opportunities in tech. YSYS is a start-up community for people with shared values interested in building a diverse and inclusive culture. It designs and delivers programmes to support diverse talent to launch start-ups, develop new skills and kick-start their careers and has helped over 10,000 diverse people to advance in tech since 2017. YSYS has worked with HL BaSE to provide legal support to its network and Hogan Lovells has also assisted YSYS with its Founders' Door Library, a digital library of highly curated video classes taught by diverse domain experts in the European start-up ecosystem.

"Our partnership with Hogan Lovells has been an absolute joy. Probably most impactfully, the HL team was instrumental to the successful launch of our FoundersDoor Library project, an online resource we developed to make expert startup advice accessible to diverse founders. They contributed over 10 valuable video lessons, demystifying and addressing legal issues ranging from IP, Raising Capital, Data Protection and much more, which over 300 founders now have on-demand access to. A number of founders from our community have benefited from attending HL's pro-bono workshops but it is instances like HL team members arranging ad-hoc one-to-one chats to answer legal queries that community members have which has really shown their enthusiasm to go above and beyond to add value." Kwaku Dapaah, Digital Learning & Content Lead, YSYS

100,000
Diverse people

YSYS has helped over 10,000 diverse people to advance in tech since 2017 and is aiming to help over 100,000 by 2023

Advancing racial justice



FEA is a non-profit domestic worker employment agency based in Hong Kong, which aims to eradicate forced labour of migrant domestic workers and disrupt the migrant labour market for good by providing ethical recruitment solutions. Since its creation 6 years ago FEA has placed over 5,000 migrant workers, and is now one of the top ten biggest employment agencies in Hong Kong. FEA participated in HL BaSE Training 2020 and was advised by a team of junior lawyers from Hogan Lovells' Hong Kong office. Hogan Lovells provided FEA with [invaluable] advice on a key service agreement between FEA and an employer who engages FEA to hire domestic helpers.

“Hogan Lovells has provided us with support for multiple aspects of our work; from helping us develop a comprehensive data privacy policy, to joining our initiative, The Fair Hiring Pledge, which sets out to end forced labour of domestic workers through employer education. We are so grateful Hogan Lovells is taking action to support our mission of ending forced labour!” Zofia Niesterowicz-Lawrence, Head of Development, Fair Employment Foundation

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