



What is HL BaSE

HL BaSE is a thriving social enterprise legal practice which has three key elements:

HL BaSE Legal

Delivering outstanding pro bono legal advice and business support to social enterprises, helping them to become investment ready.

HL BaSE Training

Our mini-MBA style training is at the heart of HL BaSE, training our most junior lawyers on key business and social impact issues at the start of their careers.

HL BaSE Catalyst

Working with our corporate clients to engage their lawyers in pro bono social enterprise legal advice allows us to offer the widest possible range of commercial and legal support to social entrepreneurs.



Why HL BaSE?

Hogan Lovells is a full service international law firm and major force in the global legal marketplace. Through HL BaSE we are able to apply all the expertise that this entails to support entrepreneurs with scaling their social impact. This international practice – spanning 49 offices globally – works with social enterprises to solve complex legal and commercial issues around the world.

The inability of social enterprises to access legal advice can be a barrier to gaining the investment required to become sustainable businesses and achieving their social or environmental mission. There can be an inequality of arms between the social enterprise and the investor. Through HL BaSE we are able to address this.

It's not just our lawyers who can get involved. We recognise that community engagement is of ever increasing importance to our corporate clients and, through HL BaSE, we are able to offer them the opportunity to advise social enterprises on a pro bono basis. This gives lawyers from our corporate clients the opportunity for learning and for the cross pollination of innovation and

entrepreneurial approach, as well as giving us an opportunity to build closer relationships with our clients.

Hogan Lovells has five values which are a fundamental part of who we are: they reflect the principles by which we conduct ourselves, shaping what we do and how we do it. HL BaSE encompasses all of these values.

- Clients come first
- Excellence in all we do
- One team worldwide
- Commitment to our firm's success
- Good citizenship



The global HL BaSE team

UK

Amanda Onions Nicola Evans Adrian Walker Ben Higson

U.S.

T. Clark Weymouth *Pro Bono Director*

Babak Nikravesh Oscar Stephens Greg Parisi Core London office team

Yasmin Waljee

International Pro Bono Director

Fenella Chambers

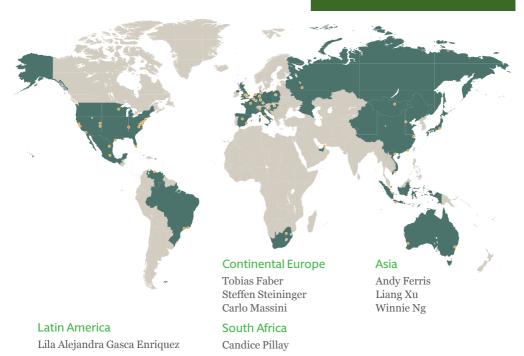
Social Enterprise Senior Associate

Helen Boniface

Social Enterprise Senior Associate

Phillippa Holland

Social Enterprise Associate





Our Impact

The HL BaSE-line

We have been working with social enterprises across the world and utilising all practice areas of the firm for over nine years. We have continued to develop the programme, maximising our impact worldwide.

Social enterprise as a concept is gaining increasing focus but social entrepreneurs still face substantial challenges. Many of these challenges we either directly solve or put the organisation on the path to resolution.

For example, challenges include raising capital, access to markets and accessing specialist advice – our specialist legal assistance allows entrepreneurs to overcome barriers such as these

We work with a number of social enterprise partners around the world; for example, Unltd and global changemaker organisation, Ashoka. This enables us to create programmes of support that have a measurable impact on social entrepreneurship in the countries we operate in and beyond. Partner relationships also enable us to identify organisations in need of assistance.

We work with social enterprises at all stages of development. We operate a flexible selection criteria allowing us to work with SMEs that create a positive social impact, thus maximising the positive community impact we achieve.

To receive assistance, a social enterprise must have:

- a) a sustainable business model whereby it generates, or will generate, a significant proportion of its income through trading; and
- b) a clear social impact (i.e. positive social and/or environmental impact(s) on the communities in which it operates or that it seeks to benefit).

In the four years up to 2016:

More than 316 Hogan Lovells Employees have engaged in HL BaSE

More than 179 social organisations have been Supported

HL BaSE supports the Sustainable Development Goals

When identifying social impact, we also look to the UN Sustainable Development Goals and are especially keen to support organisations aligned with one or more of these goals.

THE GLOBAL GOALS

For Sustainable Development







































For example, we support Barefoot College, which trains women from rural communities as solar engineers, to solar-electrify their villages. Our support, which includes pro bono legal advice, is helping Barefoot College pursue 8 Sustainable Development Goals.















This year's numbers

Over 3000 hours of advice

300+ lawyers

£1,137,631 worth of lawyer time

70+ social enterprises

By advising social enterprises and helping them grow and achieve their social missions, anyone benefitting from a HL BaSE social enterprise is an indirect beneficiary of our programme. We estimate this to be a substantial number: the collective beneficiary numbers of the 13 UnLtd Big Venture Challenge 2016 cohort social enterprises we have assisted totals 20,000+, and in total we have supported 70+ ventures during 2016. Extrapolating these beneficiaries using the mean average suggests that, through all elements of the HL BaSE programme, we may have indirectly supported approximately 100,000 beneficiaries in 2016.

By way of example, through **Unitd's Big Venture Challenge** (BVC) programme and our on-going support for social enterprises introduced to us through this programme, during 2016 we have:

- directly enabled over £526,000 of investments into businesses with advice to 13 UnLtd BVC enterprises
- supported enterprises with collective beneficiary numbers upon entering the BVC of 20,000+

Our positive impact is cumulative because, where possible, we continue to support previous years' cohorts of UnLtd BVC winners. 18 ventures from the 2015 cohort (with a collective beneficiary reach of 105,764 (as of 2015)) raised a total of £1,905,000 of debt and equity investment by mid-2016.



Case Study **Elephant Energy**

Elephant Energy's mission is to improve quality of life in developing communities by pioneering ventures that provide access to appropriate sustainable energy technologies.



The Denver-based non-profit organisation operates market-based distribution networks in Namibia, Zambia, and the Navajo Nation, linking off-grid communities with local entrepreneurs who run and own small businesses to deliver solar energy products. Elephant Energy also provides these agents with sales and marketing training.

Many of us take light for granted, but solar lighting in these communities has a wide impact on community life – it allows children to study into the evening, provides security for women at night, protects families from dangerous wild animals and reduces harmful emissions from fossil fuels.

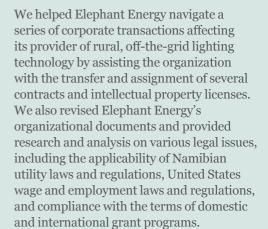
"Light in every home, clean air in every kitchen, power in every hand."



Since 2008, Elephant Energy has:



illuminated the homes of over 8,000 rural families in Namibia with affordable Solar-powered lights, saving families US\$7 per month



Case Study **Toast Ale**

The best thing since sliced bread... Toast Ale is a social enterprise that brews beer from surplus bread that would otherwise be wasted. All profits from Toast Ale go to the food waste charity, Feedback – an environmental organisation that campaigns to end food waste at every level of the food system.



Throughout 2016, a cross-jurisdiction, cross-practice team has advised Toast Ale on various issues, allowing the organisation to grow on an international scale. From franchising arrangements to trademark support and loan advice to corporate structuring, the advice has helped Toast Ale become more financially secure and protected.

We seek to include social enterprises in our supply chain wherever possible and Toast Ale is one of a number of social enterprises that we buy from. Some would say that a Hogan Lovells event is not complete without a Toast Ale and Harry Specters chocolates.





In the UK, 44% of all bread produced ends up being wasted



The amount of baked goods thrown away in the UK is enough to lift 26 million people out of malnutrition

"Everything you have helped us with means we are able to cut more food waste; raise more awareness about food waste; and raise more funds for the food waste charity Feedback. We would have had to have worked without the professional pro bono support that you have offered. This would have meant less time for us to focus on our core social enterprise activity and potentially taking risks that you have helped mitigate."

Rob Wilson, Chief Toaster, Toast Ale

Case Study

MakerBay

MakerBay is a makerspace in Hong Kong dedicated to creating an environment where makers, inventors, and hobbyists can harness their innovation and creativity to create positive social and environmental impact for Hong Kong and beyond. The company provides makers with the space, tools, and community needed to materialize ideas.

As a global hub, Hong Kong is full of bright minds and innovation but often this potential goes unfulfilled due to a lack of practical space and the community required to turn ideas into reality. MakerBay seeks to inspire the next generation of inventors through a schedule of public classes – how to build an electric car or design and build a Bluetooth speaker, or workshops to teach students how to use tools and equipment that will enable further innovation.

Hogan Lovells has supported MakerBay since 2015 with their initial establishment in Hong Kong; advising on matters such as tenancy agreements, membership contracts, and privacy policies. As MakerBay continues to grow we are advising them in relation to funding and investment.



MakerBay

"As a social enterprise, we have very little resources and knowledge in the legal aspect of setting up a company and understanding our liabilities, how to protect our brand, the IP of our inventions, etc. The Hogan Lovells team has been very supportive and helpful in helping us understand our legal needs. The team has always been responsive and professional, they have played a big role in the setting up of our company. We want to thank the team and the company for being supportive to social enterprises in Hong Kong".





Case Study

Streetfootballworld/Common Goal Fund

streetfootballworld, a global non-profit organisation headquartered in Berlin, is the international leader in the field of football for good. Over the last decade streetfootballworld has developed a network of over 120 organisations in about 80 countries, all using football as a tool for transforming young people's lives.

On the pitch, these organisations teach disadvantaged young people about fair play, inclusion and respect - lessons directly transferable to everyday life. Off the pitch, passion for football is used to engage participants in development programmes that address local social issues, ranging from HIV/AIDS in South Africa to gender inequality in Cambodia.

Hogan Lovells is supporting streetfootballworld in the incubation phase of a new football for good venture: Common Goal. Common Goal is a social change movement dedicated to mobilising football players, managers and institutions around to the world to pledge a minimum 1% of their salaries (for players/managers) or net revenues (for organisations) to a collective fund that strategically invests in high-impact football-based projects that drive progress towards the achievement of eight of the UN Sustainable Development Goals.



Every €1 invested in streetfootballworld has generated €7 for community based football for good initiatives around the world.



The streetfootballworld network employs more than 6000 full time employees.

As of 2016, streetfootballworld and its network members empower more than 2 million disadvantaged young people on a daily basis.

Case Study

Buen Manejo del Campo

Sistema Biobolsa is a social enterprise that produces biodigesters for smallholder farmers. This system enables farmers to utilize manure to power their stoves, heat their water and fertilize their plants.



Biodigesters significantly reduce farmers' energy and fertilizer bills and benefit the environment. To maximise impact, Sistema Biobolsa provides 0% interest financing for farmers who cannot afford to pay the full price of a biodigester upfront.

Reducing consumption of non-renewable energy resources and replacing chemical fertilizers with organic fertilizers:

- saves farmers money;
- generates high crop yields;
- reduces land and water contamination;
- reduces the amount of carbon dioxide released into the atmosphere; and
- reduces the amount of manure accumulating on farms, improving quality of life by lessening odour and flies.

By helping Sistema Biobolsa to translate an extremely innovative investment structure into a sound legal document that protects the social enterprise's interests, Hogan Lovells has enabled significant investment and supported Sistema Biobolsa in the scaling of its impactful business model.

The advice provided to Sistema Biobolsa allowed the social enterprise to understand the implications of every clause of the contract, helping them and the investors to find the most beneficial solutions during contract negotiations. This is a vital contribution to the expansion and normalization of Sistema Biobolsa's waste-to-energy technology.





As of December 2015, Sistema Biobolsa systems have:

Treated more than

2.4 million tons of animal waste

Produced over 580 million

litres of organic fertilizer

Resulted in more than 40,000m³ GHG emissions avoided

Case Study Matternet, Inc.

Access to medical services in remote areas is not a new problem. Unmanned aerial vehicles (UAVs) – or drones – is, however, a new solution.

Matternet, Inc., a Silicon Valley-based technology company pioneering the creation of UAV transportation and logistics networks worldwide, has established an innovative model for the transportation of health commodities in hard-to-access areas of the Dominican Republic.

We advised Matternet on their collaboration with the Inter-American Development Bank (IDB) and e-Mprende, a local technology business incubator in the Dominican Republic, to establish the first transportation network with UAVs to improve the response capacity of the Primary Healthcare Centers in rural areas of the Dominican Republic. The project is the first of its kind to be developed in Latin America, and aims to complement the primary health services offered to the population living in areas where inadequate transportation impedes access to basic health services. The UAVs will enable greater access to emergency and/or biological medicines.

The project is expected to directly benefit around 23,168 low-income people, and a total population of 200,000 attending the Primary Healthcare Centres regularly.





Case Study **SPRING**

Helping social enterprises to harness the power of markets for the benefit of girls.

SPRING Accelerator is a partnership between the UK's Department for International Development (DFID), the Nike Foundation and USAID, designed to accelerate economic empowerment for girls in parts of Africa and Asia by delivering technical and financial support to early stage enterprises developing goods and services that enable adolescent girls to safely stay in school, earn a living, save money, or accumulate economic assets.

The options are vast: low-cost solar lights, foot-powered washing machines, low-cost bicycles, micro-leasing and other incomegenerating products, which can help pay school fees or, after finishing school, help girls to support themselves and their families.

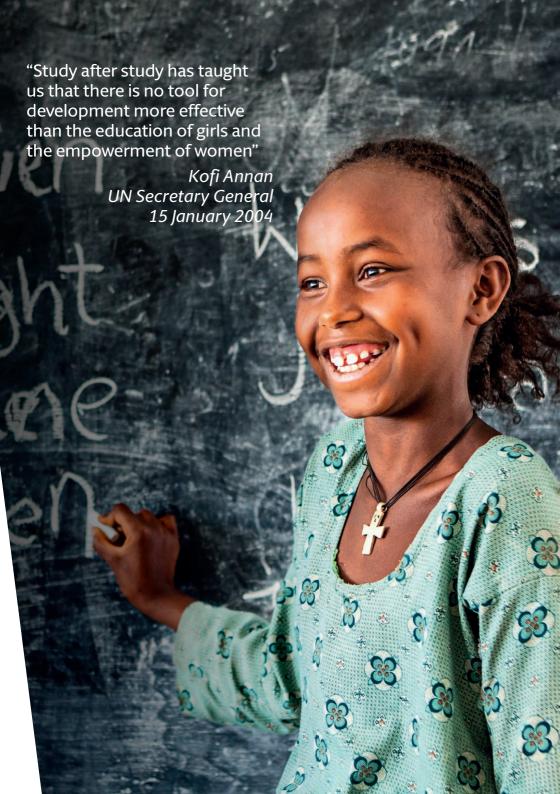
Working with entrepreneurs with a track record of success, the initiative provides capital, technical assistance, mentoring, and networking to reach girls aged 13-19. This five-year programme is now underway in Kenya, Uganda, and Rwanda, with planned expansion to other countries in South Asia and East Africa over the next two years.



SPRING aims to reach 200,000 girls in 8 countries by 2019 – and 50 million girls by 2030

In line with our commitment to support women and girls, Hogan Lovells works with SPRING entrepreneurs on issues around business growth and investment readiness, attending SPRING Boot Camps to work directly with the SPRING delegates as part of the mentoring and support programme they receive. Like any enterprise in the HL BaSE practice, our assistance is flexible to support the innovative nature of these organisations. Our support has included trade mark advice, company formations, employment contracts, structuring and finance advice – everything needed to help the organisations achieve their impact.

Although, it doesn't end at Bootcamp; we continue to support SPRING enterprises in their journey to become sustainable, life-changing businesses. In the coming months we will also, with help of some of our clients - such as Amazon - conduct the due diligence alongside SPRING to select the next batch of businesses that will make up the 2017 East Africa cohort.



Case Study

Fairmined Gold – Gold to be proud of

The "Fairmined" gold assurance label is the result of a partnership between Fairtrade International and the Alliance for Responsible Mining (ARM), a Colombia-based non-governmental organisation that works to improve miners' livelihoods.



Artisanal and small-scale mining is largely a poverty driven activity. To become part of the Fairtrade and Fairmined system, miners' organisations have to comply with strict standards, including ending the use of child labour, providing health and safety training for all miners and regulating the use of chemicals. In return, miners receive a minimum price for their gold and an



Despite the price of gold rising from US\$320 per ounce in 1999 to more than US\$1,400 per ounce in 2010, many miners live on less than US\$2 a day

additional Fairtrade premium of 10 per cent, which they must invest in their business or use for community development.

We have been working with ARM since 2009. ARM is an independent, global, pioneering initiative seeking to enhance equity and wellbeing in small-scale mining communities through improved social, environmental and labour practices and good governance, as well as ecosystem restoration practices. Since 2009, our support has covered a variety of areas aimed at extending the impact of the ethical accreditation. For example, most recently, we helped ARM prepare a Permit to Trade, which will grant actors in the mineral supply chain permission to trade Fairmined Gold.

Fairmined Gold currently comes from Bolivia, Colombia and Peru. More mining organizations from Latin America are expected to join the system, and work with miners in Africa and Asia to bring them into the system has also begun.

Case Study

DQ Institute – Project DQ

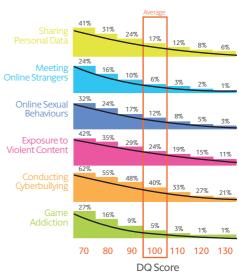
A global movement to empower every child with digital intelligence.



Digital Intelligence is vital in this day and age. Known as "DQ", digital intelligence is the sum of social, emotional and cognitive abilities essential for digital life. DQ is having the necessary knowledge, skills and ability to adapt emotions and adjust behaviours to deal with the challenges and demands of the digital era. This is a digital era and we are all exposed to digital life – with children being exposed from a young age. This is not necessarily a bad thing but care must be taken, which is something that has been recognised by Ashoka Fellow, Dr Yuhyun Park, who founded the DQ Institute.

The DQ Project is an initiative encouraging digital intelligence in children. They believe that it is of crucial importance that children have a high-level of DQ to understand issues such as cyber bullying, managing their online identity and the appropriateness of online interactions. We have provided comprehensive advice on Singaporean charity law, employment issues and fundraising regulations, as well as providing general corporate and employment advice.

Impact of DQ on Children's Risky Behaviours Online



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Case Study **45Rice**

45**RICE**

Long hours of manual labour on just a bowl of rice? Not if 45Rice can help it.

Low-wage migrant construction workers in Singapore largely survive on rice. Often this rice is of very poor quality and lacks essential nutrients which would normally be a part of a healthy, balanced diet. It may also be unpalatable, arriving in advance of mealtime and stale – despite it representing a significant proportion of these workers' wages.

Social enterprise 45Rice aims to address this problem by providing fortified rice to the city's migrant workers. 45Rice provide fortified rice containing essential vitamins and minerals, whilst cutting out the middlemen who may unscrupulously supply poor quality rice for their own profit. There is no additional cost to the construction workers – but, it goes without saying, significant benefit.

Within the next few years, 45Rice is hoping to be able to feed Singapore's entire foreign construction worker community of more than 300,000 people as part of its guiding principle to combat hidden hunger. In 2017, the organisation aims to provide 2,000,000 meals of fortified rice – meaning production and supply on a commercial scale.



Our Singapore office has assisted 45Rice in reaching an agreement with DSM, a global science-based company active in health nutrition and materials, to purchase fortified pellets at a reduced price to enrich rice with proper nutrients. We drafted a collaboration and supply agreement, establishing a partnership to help 45Rice achieve its goals. We continue to work with 45Rice, providing on-going corporate and commercial advice as the company looks to expand.

"Hidden hunger" – a form of malnutrition that is also known as "micro-nutrient deficiency".

Over **50,000** meals of fortified rice provided in 2016.

Research showed that foreign workers suffered from, for example, dysentery, weight loss and other gastric problems due to the poor quality of food they were consuming.

Case Study

Innovative investment with a difference – Social Impact Bond

Social Impact Bonds are an innovative tool that can enable impact-driven investors to collaborate with government service providers on a social outcomes basis.

Our French office worked with the Association for the Right to Economic Initiative (Adie) to develop the legal structure of the first French social impact bond, signed on 24 November 2016 at the Ministry of Economy and Finance in the presence of François Hollande, then French President of the Republic, as well as other senior government officials and the President of Adie (Frédéric Lavenir). The financial structure was designed in partnership with BNP Paribas.

This new tool allows investors to finance innovative solidarity initiatives. If these projects demonstrate their effectiveness, the investors will be reimbursed by the public authority that has contracted under the social impact contract, after an independent evaluator has assessed its social and economic impact.

"Today we invented a new financial product"

François Hollande, former President of France

Adie proposed a programme to promote economic and social inclusion through microcredit for the benefit of people living in isolated rural areas. In order to respond as closely as possible to the needs of project leaders residing in territories far from its agencies, Adie plans to implement innovative working methods, by conducting remote training applications for funding.

As the first transposition into French law of a Social Impact Bond this project is innovative in its contractual framework and in approaching the financing of targeted beneficiary groups.



HL BaSE Training

Innovation from the start. HL BaSE Training is a cornerstone of HL BaSE, attended by our 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.

During an intensive two day training course, working with partners such as Ashoka and Unltd, 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. To put these skills into practice immediately, the attendees than meet their own social enterprise client whom they continue to advise as the organisation grows.

HL BaSE Training has been developed in response to client demand for commercially astute lawyers and attendees include junior lawyers from some of our corporate clients.

Although HL BaSE Training started in London, it has now expanded to include junior lawyers and social enterprises from Continental Europe, with separate HL BaSE Training programmes also held in the US and Asia. These junior lawyers will take the HL BaSE programme forward long-term and worldwide, ensuring it has a sustainable and lasting positive impact.

HL BaSE Training is a unique offering that has been commended by clients and recognised through various awards programmes. The programme has been awarded shortlisted status for the Asda Growth Enterprise Award as part of the Business in the Community's Responsible Business Awards (2015), the Ethical Corporation Responsible Business Awards (2015), an Innovation Award as part of the Better Society Awards (2016) and the Guardian Sustainable Business Awards in the Social Impact category (2016).





I enjoyed the opportunity to meet with social entrepreneurs and build up a network of clients at the very start of my career. This is an opportunity which no other commercial law firm is providing, and so sets Hogan Lovells at the forefront of training commercial lawyers. Having the chance to understand the clients' business and be able to offer direct preliminary advice was a very exciting opportunity.

HL BaSE Training delegate

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UnLtd has worked with Hogan Lovells since HL BaSE's inception. We were delighted to be part of HL BaSE's development and continue to reap the benefits of the partnership. What sets it apart from our other pro bono legal relationships is the follow-on support. Not only do our ventures get to spend an afternoon with enthusiastic junior lawyers, but they then become clients of the law firm, meaning that their legal needs are met.

Unltd

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Being a part of the HL BaSE programme created a greater level of confidence - it ensured that we were complying with certain legal regulations that, as a start-up, you sometimes forget. It meant that we could rest easy – safe in the knowledge that we were providing the best possible service to our beneficiaries. We work with a lot of young people in classrooms, as well as large corporate institutions – both of whom require certain formalities and documentation. Hogan Lovells were able to provide us with a holistic service suited to our every need.

HL BaSE social enterprise, Class Careers



HL BaSE Catalyst

Social impact is of growing importance to our clients and, in response to this, we have established a unique programme which enables our corporate clients to join us in supporting social entrepreneurs. By working together, we are able to maximise and diversify the help we offer the social enterprises that we work with, at the same time strengthening our relationships with our corporate clients.

HL BaSE Catalyst is a an annual series of pro bono advice workshops, in which we match social entrepreneurs with a team of Hogan Lovells lawyers and our corporate client's in-house lawyers, who advise on legal and commercial issues.

HL BaSE Catalyst is a mutually beneficial programme - we have fostered closer relationships with our corporate clients, clients are able to enhance their advisory skills and network with their contemporaries and social entrepreneurs receive advice from both our lawyers and in-house lawyers, offering different viewpoints on the issues raised.

HL BaSE Catalyst is a worldwide initiative, with workshops having been held in Mexico, Germany, the UK and Russia.

This year we held the first HL BaSE Catalyst China with a workshop for our corporate client, 3M. Social enterprise is gaining ever increasing attention in China with a focus on the underprivileged population and China's societal sustainability. Entrepreneurs working in these sectors often lack legal and professional support so, with 3M, at a HL BaSE Catalyst workshop we provided advice to address these unmet needs.

Working together with the 3M China Legal Affairs Department, we organised an HL BaSE Catalyst workshop at the 3M Shanghai Research and Development Centre. A total of 14 lawyers from 3M and our offices in Beijing and Shanghai attended. By way of example, we advised the Shanghai Ju Shan Zhu Can Public Welfare Development Center, a social enterprise that created the first on-line charity store in China and provides employment opportunities for disabled people. We also worked with an environmental protection project that recycles used clothes, and an art studio that was set up to help children with autism learn the arts and present their skills.

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It felt good to be able to use legal knowledge and experience of commercial contracts to guide [the Social Entrepreneur], provide advice and make suggestions about his business.

BNP Paribas



I am so inspired by the dedicated social enterprise workers. In the course of delivering legal advice, I also learned a lot from them.

3M, China

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Beijing

Birmingham

Brussels

Budapest

Caracas Colorado Springs

Denver

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