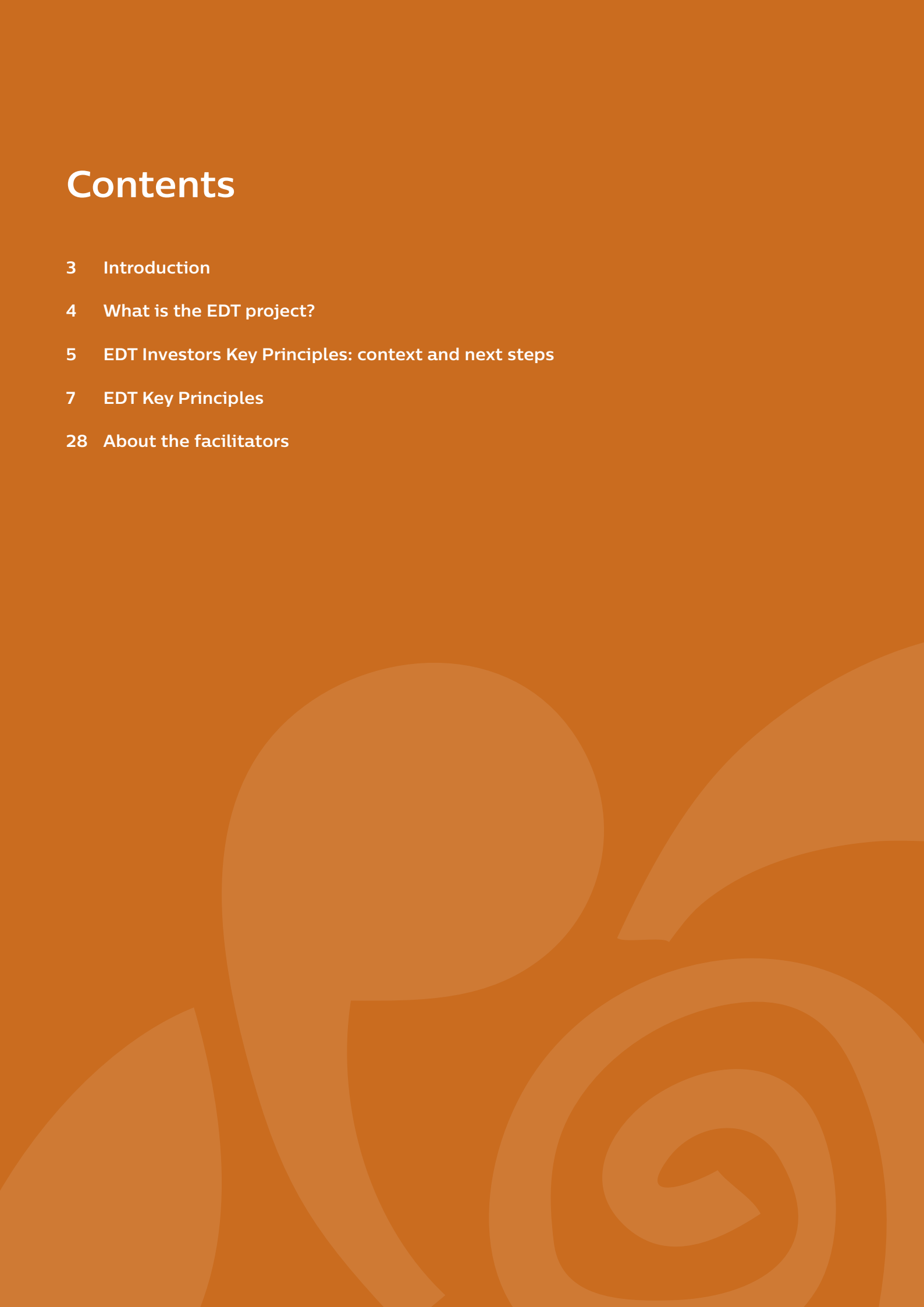


# EDT (Equalising Deal Terms):

## Investor Key Principles



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# Introduction

The EDT (Equalising Deal Terms) project is an initiative facilitated by the Equality Impact Investing Project (EIIP) and Bates Wells to address the (sometimes inadvertent) power imbalances between impact investors and their investees that arise from current practices relating to investment terms, legal documents and processes. It builds on and extends the work of EIIP and its **UK Task Force**, to advance the field of equality impact investing (EII).

These EDT Investor Key Principles (the “**EDT Principles**”) were developed in response to feedback during the initial research and consultation stages of the EDT project, where a recurring theme was that it would be valuable to collate the key research findings into a form of “key principles” for use by impact investors and their investees.

The goal would be for these 5 EDT Principles to clearly articulate (1) the existence of power imbalances between impact investors and investees, (2) why this was damaging to the parties’ shared goals of achieving and maximising positive impact, (3) an express commitment by impact investors to actively seek to combat such power imbalances, and (4) how investors and investees can each play an active part towards this goal, particularly in relation to investment terms, legal processes and documents.

Our ambition for creating and publishing these EDT Principles is to mobilise and encourage further reflection and conversations within – and between – impact investors, investees, legal advisers, grant funders and others about the reality of power imbalances in our sector and how best to take practical, tangible steps to overcome them.

For the change-making enterprises and organisations that are the recipients and investees of impact investment, we hope that these EDT Principles may provide a helpful tool and resource they can point to and utilise. This is particularly where they may be facing challenging power dynamics with their own existing or potential investors, or wish to promote equitable practices throughout the sector more generally.



**Equality Impact Investing (EII)** is a form of impact investing that tackles inequality and advances equality. EII brings together the established aims, premises and principles of the equality and human rights field with that of impact investing.

**The Equality Impact Investing Project (EIIP)** exists to build the field, and drive increased use of, investing for equality impact. To do this, we bring equality and human rights actors together with social and impact investors to better understand inequality challenges and opportunities where investors can make a difference, pioneer new policy and practice responses, share and promote learning to influence wider change.

# What is the EDT project?

**The EDT project asks and analyses two key questions: To what extent do impact investment terms and processes replicate forms of power, privilege and control that are poorly aligned with mutual trust, respect, and collaborative partnership? How can the impact investment community respond to better embed the principles and values of equality?**

One key **EII strategy** used by investors – and their advisers – to further their equality impact is to take steps to improve their own organisational processes and practices, to ensure that these are consistent with their professed mission and values in promoting equality. At present, a key factor in perpetuating inequality between impact investors and their investees is the impact of power imbalances between them, especially in relation to investment terms, processes and legal documentation.

The EDT project was initiated by **Sung-Hyui Park** of Bates Wells after attending EIIP's inaugural training course, where she realised both the need and opportunity for re-imagining and re-visiting key investment terms, processes and legal documentation with an 'EII lens', so that the models, tools and documents used within impact investing can be better aligned to work in the service of underlying principles of equality.

With support from the **Connect Fund**, EIIP and Bates Wells launched the project in mid-2022 to explore potential practical solutions and 'best practices' already being implemented within the impact investor community, with the intention of co-producing new guidance, reflecting EII principles, that can then be integrated into investor practice.

In the first instance, the project wanted to understand the ways that investment terms reproduce inequality – engaging directly with both investors and investees to hear their views and experiences. To do so, the project convened a

Reference Group to explore the issues in-depth and co-develop practical responses to address it.

## **The members of the EDT project's Reference Group are:**

**Bonnie Chiu**, *The Social Investment Consultancy / Pathway Fund*

**Seb Elsworth**, *Access – the Foundation for Social Investment*

**Kevin Osborne**, *Create Equity / MeWe360*

**Hazel Peck**, *Guy's & St Thomas' Foundation*

**Naomi Sander**, *United Green / GAIL (Global Alliance of Impact Lawyers, UK regional board)*

**Danyal Sattar**, *Big Issue Invest*

**Matt Smith**, *Key Fund*

**John White**, *Big Society Capital*

To ensure that the project's focus areas were the most relevant and practically useful for investees, Bates Wells conducted a number of structured interviews (within the limited time available) between February and April 2023 with a range of investee organisations, to receive their feedback on what they found most challenging regarding power imbalances in receiving UK social investment funding, as well as their ideas for improvement. The key findings of these interviews have been shared publicly in our report **EDT (Equalising Deal Terms): Investee Perceptions of Power Dynamics in Legal Processes** and can be accessed [here](#).

# EDT Investor Key Principles: context and next steps

The EIIP, the EDT project and the EDT Principles all form part of wider conversations that are happening within the impact investment, grant-making and international development spheres about power, privilege, equity, re-conceptualising risk and the need to reform power imbalances between funders and the change-making enterprises and organisations that receive such funding.

In the context of impact investment, the need is particularly pressing given the rapid growth of impact investment, both within the UK and internationally. Globally, the Global Impact Investing Network (GIIN) **estimates** the size of the worldwide impact investing market to be USD 1.164 trillion, with Big Society Capital **analysing** the size of the UK social impact market to be £9.4 billion as at the end of 2022, increasing from £830m in 2011.

Beyond these encouraging growth statistics, there are concerns that although the field is growing, the way that impact investors interact with their investees do not always align with their self-professed values and goals of advancing equity and equality. In particular, there is insufficient scrutiny into the role that investment terms, legal processes and legal documents can – often inadvertently – play in perpetuating and deepening power imbalances between investors and investees; this has therefore been a key focus area for the EDT Principles.

Impact investors within our networks generally agree that principles of equity and equality should guide their organisational processes and practices. The EDT Principles are intended to be a tool to support impact investors, investees and their legal advisers towards this goal, and have been co-developed by **Bates Wells** (led by **Sung-Hyui Park**) and **EIIP** (led by **Rana Zincir Celal**) through extensive desk research, incorporation of Bates Wells' deep experience of legal processes and documentation in impact investment projects, EIIP's deep experience of developments and best practice from the equalities and human rights fields, valuable feedback generated from the collective experiences and insights of our Reference Group as well as a 12-month consultation process with change-making organisations who receive impact investing funding and our wider funder networks.

In our work, we have been inspired by recent developments in addressing different dimensions of EII by the UK social investment sector, such as the emphasis on EDI (Equity, Diversity and Inclusion) – particularly through the **Diversity Forum Manifesto 2.0** – as well as wider ongoing efforts to combat power imbalances in the human rights, international development and grant-making arenas.

We have also been inspired by recent legal initiatives such as the **LISI Impact Term Sheet**, which provides a detailed term sheet template with specific provisions and guidance to support investors and investees to embed and enhance impact practices in areas such as due diligence, governance, remuneration and exits.

We are mindful that the EDT Principles will seem deeply challenging to achieve for some impact investors. By the same token, for others, they will not go far enough.

Expanding on this, in formulating these Principles, we are also acutely mindful of the real challenges in striving to be useful and accessible to multiple audiences that have very different viewpoints and levels of investment and legal experience: wholesale funders, seasoned impact investors, a wide spectrum of investee change-making organisations as well as legal advisers who may be less familiar with some or all aspects of wider impact investment processes and dynamics.

We are also very much aware that, whilst we have tried to focus specifically on legal processes, terms and documents, these are deeply interrelated with wider investment processes and relationships and the inherent power imbalances present in all of them.

We are alive to the inherent shortcomings of language and terminology, particularly our use of the term “investee” throughout the EDT Principles (and our wider EDT-related work) to describe the enterprises and organisations which are often carrying out the actual, vital change-making work of tackling complex inequalities head-on.

We have used this imperfect term of “investee” mainly due its immediate recognisability in the impact investing – and wider investment – sectors, both in the UK and internationally. We hope that this will encourage wider conversations about addressing power imbalances within the more “mainstream” UK and international impact investing arenas.

In terms of next steps, we would welcome feedback, comments and ideas for the future development of the EDT Principles and their practical implementation. Please do reach out to us by emailing [info@equalityimpactinvesting.com](mailto:info@equalityimpactinvesting.com) and [sh.park@bateswells.co.uk](mailto:sh.park@bateswells.co.uk).

(EDT Principles Version 1, March 2024)



# EDT Investor Key Principles

By way of overview, the 5 EDT Investor Key Principles are:

## Principle 1:

We acknowledge and agree that power imbalances regularly exist between impact investors and investees, and that this can harm the positive impact that we all wish to achieve.

We therefore accept that we have a responsibility to challenge them.

## Principle 2:

We affirm the value of our investees as equal partners, whose experience, insights and expertise are crucial to achieving our shared goals of effecting positive social and/or environmental change.

## Principle 3:

We acknowledge and agree that investment deal terms, legal processes and documents can contribute to deepening power imbalances between investors and investees.

## Principle 4:

We commit to shaping and using investment deal terms, legal processes and documents that are clear, balanced and reflect an equitable sharing of risk between all parties.

## Principle 5:

We will strive to support our internal and external stakeholders and partners to understand and uphold these Principles, and to hold each other accountable to them.

# Principle 1

**We acknowledge and agree that power imbalances regularly exist between impact investors and investees, and that this can harm the positive impact that we all wish to achieve.**

**We therefore accept that we have a responsibility to challenge them.**

As the overarching framework to these Principles, it is first imperative to recognise that power imbalances exist as a reality for nearly all investees. This is particularly acute for investees with emerging experience of receiving impact investments, are newer / smaller / grassroots-focused organisations, those supporting minoritised ethnicity or other underrepresented communities or those who are developing their material commercial or legal experience – however, such imbalances still regularly apply regardless of the size or experience level of the investee.

Impact investors have considerable power over their potential and actual investees because they represent critical sources of funding, as well as (in many cases) capacity support, access to key networks and sectoral legitimacy.

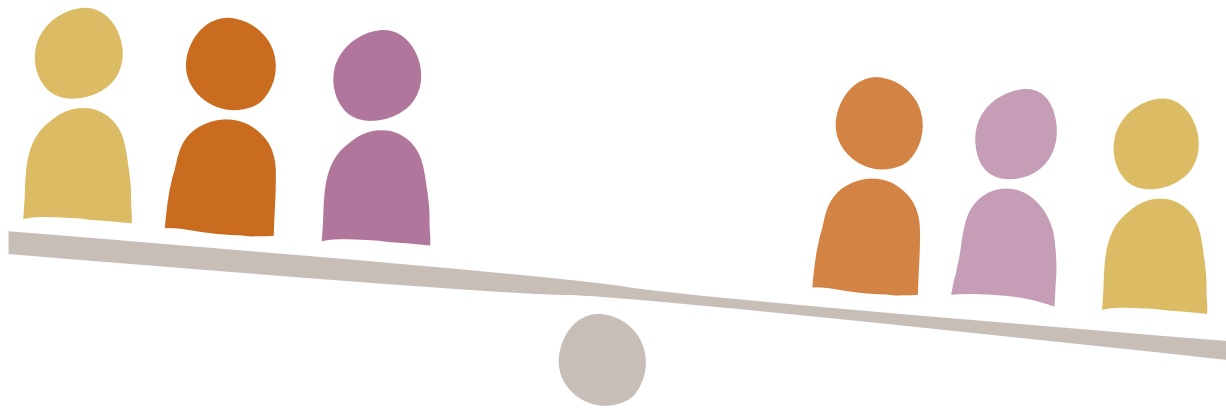
These power dynamics are particularly amplified when investees face challenges with obtaining financing from more mainstream commercial investors, and are therefore more reliant on the financial and wider support of impact investors and grant funders. This may be due to the investee's unique business models and/or the complexity of the inequality challenges they are addressing – leading to a need for more patient capital.

## Harm caused by power imbalances

It is important to recognise that how impact investors exercise their powers can deeply affect their investees' ability to achieve and maximise the sought-for social and/or environmental impact. Practical examples of this include:

- Investors sometimes seek to re-frame or change the focus of an investee's impact activities, so that they better align with the investor's own priority themes. This can lead to a distortion of the investee's theory of change – in a manner that is at odds with the investee's own deep experience and expertise of combatting a particular social or environmental issue – and may reduce the effectiveness of the intervention, or result in unintended and negative externalities.
- Investors often require investees to focus all or much of their attention on specific, overly narrow income-generating projects, which can impact the investee's ability to engage with more systemic issues and interventions for the societal issue(s) they are trying to solve. It is of course important for investors to be able to seek a reasonable level of returns to support their financial viability, but short-term returns can sometimes be prioritised wholly above the investee's longer-term, organisation-wide journey and performance. This can curtail investees' future growth and impact potential.





- Investors often require disproportionate and overly onerous levels of information from investees as part of initial due diligence or ongoing monitoring or reporting requirements. This can pull vital resources, time and energy away from the investee’s ability to focus on achieving the desired social and/or environmental impact in a financially sustainable way.

More broadly, when impact investors impose one-sided, inequitable investment terms and/or processes on their investees, this can send an implicit message to their investees that “this is just how the impact ecosystem works”. This may in turn result in investees pushing down their risk and imposing their own heavy-handed terms onto their own funding recipients and/or service users “down the chain”.

This can potentially lead to the perverse outcome of the most marginalised service users – and vulnerable frontline grassroots organisations – taking on the brunt of all or most of the investment risks of the investors and other funders “above” them. These outcomes do not align with impact investors’ professed values and goals of advancing equality and equity. Indeed, these dynamics have the potential to reproduce, deepen, perpetuate and create inequalities throughout impact investing practice.

### Understanding why power imbalances exist

In order to successfully combat power imbalances between impact investors and investees, it is important to explore and seek to understand why they exist in the first place. The reasons are varied and complex, and there are instances where individual investors simply exploit their power (in their capacity as sources of funding) over investees. Notwithstanding this, during the research and consultation stages of the EDT project, many investors shared their views that the UK social investment sector faces a number of **key structural challenges**, which generally affect investors’ ability to interact with their investees as equitably as they would like to:

- **Dynamics with commercial investors:** As part of the UK social investment sector’s drive to grow the amount of money invested in tackling social issues and inequalities in the UK, there is an understandable focus on bringing in more commercial / institutional investors. These commercial investors will often hold a lot of the power, because they are investing a lot of money (or are considering investing large sums in the future). As is usual in commercial investment projects, such investors usually seek to minimise their own risks by pushing these “down the chain” to social investors and ultimately to investees and/or service users. This may be accentuated by financial and sustainability regulations that commercial investors have to comply with.

It is a real and pressing challenge to continue attracting these commercial / mainstream investors (to grow the overall funding into, and profile of, the UK social investment market), whilst ensuring that this is not done in an inequitable way that subordinates the needs of investees and the communities they serve, imposes significant burdens onto them and ultimately harms the positive impact they are trying to achieve. A number of investors – such as the **Growth Impact Fund** – have shared that they feel caught “between two worlds” in trying to meet the conflicting needs of both their institutional investors and their grassroots investees.

- **Safeguarding of public funds:** A further structural challenge for the UK social investment market is that a large proportion of funding is ultimately sourced from public funds (for example, dormant account funds in relation to Big Society Capital and Access – The Foundation for Social Investment, and lottery funds in relation to The National Lottery Community Fund). The application and use of public funds is generally subject to greater scrutiny and oversight, particularly around areas such as subsidy control / state aid, use of assets bought with public funds and ongoing monitoring and reporting. At present, the risks and burdens of complying with these requirements fall most heavily on investees, and there is considerable scope for exploring a more equitable sharing of risks between wholesaler funders, intermediary investors and investees. We explore this further in Principle 4.

#### **Regulatory obligations of charitable investors:**

A key theme that emerged from investors that were **registered charities** was a general nervousness about their ability to interact more equitably (and flexibly) with their investees, in light of their charity law duties. Trustees of charities face specific charity law duties when making investments, as well as general duties to act in the interests of the charity and safeguard charitable assets. During the course of our research for these Principles, a number of charity investors expressed an appetite for greater clarity on how to interact with investees more equitably, whilst meeting their charity law requirements.

#### **Resources and further reading:**

- **Big Society Capital**, *“What social enterprises tell us they want: shift in power dynamics between investors and investees”*
- **Stanford Social Innovation Review**, *“Impact Investors Need to Share Power, Not Just Capital”*
- **Justice Funders**, *“Shifting Capital & Power: A Just Transition Investment Framework for Philanthropic Institutions”*
- **Criterion Institute**, *“Process Metrics that Analyze Power Dynamics in Investing”*
- **Diversity Forum**, *“Manifesto 2.0”*
- **Ben Wrobel and Meg Massey**, *Letting Go - How Philanthropists and Impact Investors Can Do More Good by Giving Up Control (2021)*
- **Transform Finance**, *“Transformative Financing Structures”*
- **NPC**, *“A rebalancing act: How funders can address power dynamics”*
- **Alliance Magazine**, *“Reforming International Development - Interim consultation”*

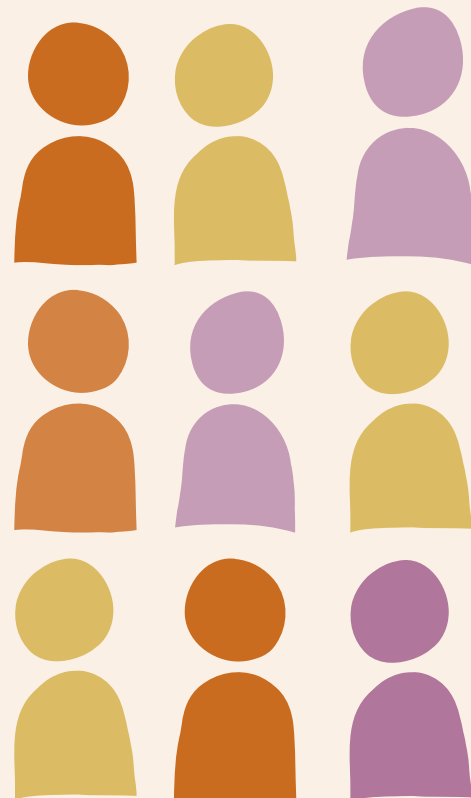
## Calls to action:

### For investors:

- Share these EDT Principles with your investees, to kick-start conversations about how you can work together to reduce power imbalances and enhance the impact that they are seeking to achieve. This could include **express avenues for feedback and challenge** where investees can raise concerns, always in a safe, open and receptive space.
- At a sector-wide level, initiate discussions with **key umbrella bodies and organisations** that represent **institutional / commercial** investors into social investment. Examples of potential bodies (as shared with us) include the Impact Investing Institute, the British Business Bank and the Scottish National Investment Bank – as well as other relevant key institutional investor stakeholders. These discussions would (1) seek to support these investors' understanding of the importance of equitable treatment of investees (and the communities they serve), and (2) explore how this can be practically implemented in impact investment and legal processes involving commercial investors.
- Also at a sector-wide level, EIIP and Bates Wells to explore the scope for issuing guidance – for impact investors that are registered charities – on how **charitable investors** can interact more equitably and flexibly with their investees, within the remit of their **charity law duties**.

### For investees:

- The most important recurring message we receive from impact investors is that investees should feel empowered to raise questions and suggestions about more equitable deal processes with them. If power imbalances are negatively affecting you, your operations and/ or the impact you wish to achieve – or you are generally interested in these topics – please do use these EDT Principles as a resource and tool to initiate conversations with your investor(s), with your peers and with us at the EDT.



## Principle 2

**We affirm the value of our investees as equal partners, whose experience, insights and expertise are crucial to achieving our shared goals of effecting positive social and/or environmental change.**

In order to take positive steps towards overcoming power imbalances between impact investors and investees, conceptually it is vital that investors expressly affirm – and genuinely believe – their investees to be equal (and not subordinate) partners.

Investors are stewards of capital that facilitate the actual change-making work being led by their investee partners. As such, impact investors should appropriately prioritise being responsive to the needs of such partners and the communities they serve.

Unfortunately, the reality can often be the reverse. This can be particularly pertinent where team members within an impact investor – or within more commercial or institutional investors that are investing into a social / impact investing project - have material academic, commercial or financial experience in high-profile or prestigious institutions.

In these situations, it is especially important for investor personnel – at all levels – to recognise and confront their privilege and biases, and to seek to actively understand and appreciate the significant value of the bespoke experience, insights and expertise that investees (with differing backgrounds and skillsets) bring to running their organisations and combatting the specific social and/or environmental issues that they face.

This notably applies in relation to grassroots-focused investee partners which may not have commercial or legal backgrounds, but bring a long-standing and profound practical understanding of the challenges faced by their communities and service users (as well as the solutions that are likely to be most effective). In these cases, investors should recognise that their investee partners are often deeply committed visionaries who are doing the vital and extremely difficult – but often undervalued – work of addressing complex inequalities head-on.

### Resources and further reading:

- **Big Society Capital and Young Foundation**, *“Nothing about us without us: bringing lived experience insight into social investment”*
- **Ford Foundation**, *“Ignorance is our enemy within; on the power of our privilege, and the privilege of our power”*
- **The Joseph Rowntree Charitable Trust**, *“Strategy for addressing dynamics of power and privilege”*
- **The Principles Project, a collaboration of Ariadne** – European Funders for Social Change and Human Rights, Human Rights Funders Network (HRFN), and Gender Funders CoLab *“Human Rights Grantmaking Principles”*
- **Grace Lyn Higdon**, *“Linking Participation and Economic Advancement: Buen Vivir Fund Case Study”*
- **Barking & Dagenham Giving (BD Giving)**

## Calls to action:

### For investors:

- Incorporate valuable **user voice** and **lived experience** – of grassroots organisations and relevant communities – throughout your governance and investment processes. This could include (1) inviting those with lived experience of relevant social issues (and/or running frontline organisations) to join your **investment committees**, and (2) setting up **advisory boards** and/or **feedback sessions** with those with relevant lived and/or frontline experience to feed meaningfully into the investment process.

As a practical step to implement the above, Good Finance are (as at March 2024) in the process of piloting and iterating its '**Uncovering User Voice E-Learning Programme**', with the aim of making this publicly available to social investment intermediaries when launched later in 2024.

- Consider honestly whether your investment teams, relationship managers, investment committees and external partners could be more representative of – and/or have a wider range of skills to support – the investees and community demographics that you serve; and reflect this in your **recruitment and retention policies**.
- In valuing investees and treating them equitably, ensure that this extends to the treatment of your **potential investees** as well as actual investees. Regardless of whether they are successful in applying for funding with your investor organisation, they deserve

to be valued for the positive change they are seeking to implement. Aim to signpost them to other investor and/or capacity-building organisations – such as **Good Finance** and its **Fund Directory** and **Advisor Directory** – if you are not the right investor for them, so that they stay motivated to continue their work and strengthen their future applications for impact investment.

- Going deeper, when designing new funds or revisiting your investment strategy, consider applying a **participatory impact investing** approach, as implemented by UK social investors such as **Barking & Dagenham Giving** (BD Giving) and championed by organisations such as **Transform Finance**. This would involve co-creating funds and strategies directly with front-line investee organisations and local communities and partners – to prioritise community engagement, equitable governance and a fairer balance of risk and return between stakeholders.



## Principle 3

**We acknowledge and agree that investment deal terms, legal processes and documents can contribute to deepening power imbalances between investors and investees.**

Legal processes and documents can often contribute towards deepening power imbalances between impact investors and investees in a number of ways, including the following:

- a) The complexity, length and “jargon-heavy” nature of most traditional investment legal documents can be alienating and overwhelming for some impact investees, particularly those without commercial or legal backgrounds. This can lead to investees (1) not fully understanding what their obligations are under such documents (increasing the likelihood of inadvertent breach) or (2) not realising that certain investment terms are particularly one-sided or overly investor-friendly, before agreeing to be bound by such terms.
- b) Traditionally, investment legal documents are drafted by investors’ lawyers in a way that deliberately seeks to minimise risks for investors and significantly control the investee’s activities. This can mean that investees are generally restricted from carrying out any material

commercial activities without investor consent, investors are technically entitled to “pull the plug” on the investment if anything goes wrong (regardless of whether this was the investee’s fault) and investees are fully accountable to investors for all their actions (but not the other way round).

- c) Many impact investees – particularly smaller/ early-stage / grassroots organisations – do not have the resources to obtain independent legal support, which can significantly affect their ability to digest, negotiate or push-back on unfair investment terms. If investees do have a small legal budget for paid legal support, this can sometimes run out quickly if negotiations become drawn out, pressurising the investee to concede points they would not otherwise do.
- d) Even where the investee has access to free (“pro bono”) legal support, there can still be fundamental power imbalances in legal negotiations, if investees face different time constraints compared to their investors. During the consultation phase for these Principles, the Growth Impact Fund shared with us that impact investees often face significant time pressures to access funding – to pay core costs such as staff, rent and suppliers – whilst investors usually do not face similar time pressures to invest. As such, if legal negotiations become delayed and extended, investees face time pressure to concede terms rather than to argue them, even if they do have legal support.



## Understanding the context for current legal processes

In order to re-imagine effectively what equitable investment deal terms, legal processes and documents could look like, it is again important to explore further why these dynamics exist in the first place.

### *Commercial law training of impact investing lawyers*

When advising on investment transactions, commercial lawyers are traditionally trained to believe that good client service involves eradicating risks (as much as possible) for their investor clients, as well as maximising the number of commercial points “won” during the negotiation process. Many lawyers – both in-house and external – that move into impact investment have commercial legal backgrounds, and they can intentionally or subconsciously seek to apply these beliefs when drafting and negotiating investment legal documents for their impact investor clients. As discussed above, this can lead to a multitude of power imbalances for investees, especially if they do not have the internal capacity or legal support to digest and push-back on one-sided investment and legal terms.

### *Impact investing negotiation dynamics*

In an alternative scenario, where both investors and investees are able to obtain their own respective legal counsel, this can sometimes lead to extensive and protracted legal negotiations, which drains time, energy and goodwill on all sides. This can be a particular risk when one or more sides have obtained (pro bono or paid) legal support from law firms whose lawyers approach impact investing projects – often with good intentions – in the same manner as they would negotiate purely commercial projects i.e., with a “fight, win and minimise risk” mentality.

During the consultation stage of the EDT project, investors shared that a further challenge with pro bono support from law firms is that this can sometimes be treated as less of a priority than commercial work, leading to delays and a “stop-start” approach to the negotiations process.

### *Commercial investor legal requirements*

From a slightly different angle, where an impact investing project has one or more commercial / mainstream investors, these commercial investors will usually have a list of “customary internal policy” legal requirements – which their legal teams expect to be included in the legal documentation. These requirements will usually include onerous investee restrictions and aggressively minimise risk for the commercial investor, pushing all risks onto the social investors, investees and/or service users “down the chain”.

Impact investors can find it challenging to push back on these requirements, especially if the commercial investor imposes a “take it or leave it” approach as a condition to providing their (often significant) funding commitments, or if certain requirements reflect the commercial investor’s regulatory obligations. In the impact funds space, the fund manager’s legal counsel will usually lead on drafting the fund documentation, which will also heavily reflect traditional investment documentation.





### *High-level approaches of legal counsel*

During the initial research conducted for these Principles, it was raised that legal counsel generally tend to be risk-averse and resistant to exploring new and different ways of approaching legal processes and documents - often on the grounds that this is “not market standard” when referenced against their experience of previous investment projects. Both impact investors and investees shared that they often find it intimidating to approach and articulate and explore these types of issues with their lawyers. This is particularly the case where legal counsel suggest that it would trigger significant legal fees and/or delays to “revisit” existing legal documents with a new, more equitable lens.

In most cases, lawyers are not fully aware that their approach can be damaging from an investee or social impact perspective, as they usually have limited visibility of the consequences of their advice on the ongoing relationship between investors and investees.

As a crucial element of equalising legal processes, we need to reframe what “good” looks like for in-house and external legal counsel’s involvement in, and approach to, impact investing projects. We consider this in detail in the following Principle 4.

### **Resources and further reading:**

- **David Kennedy**, *A World of Struggle: How Power, Law and Expertise Shape Global Political Economy* (2016, Princeton University Press)
- **Criterion Institute**, *“Introducing Standards of Practice for Gender Lens Investing”*
- **EIIP**, *“Equality Impact Investing: From Principles to Practice”*
- **EIIP**, *“Equality Impact Investing Toolkit”*
- **Criterion Institute**, *“Addressing Power Dynamics in Investment Processes”*
- **Village Capital**, *“Flipping The Power Dynamics: Can Entrepreneurs Make Successful Investment Decisions?”*





## Principle 4

**We commit to shaping and using investment deal terms, legal processes and documents that are clear, balanced and reflect an equitable sharing of risk between all parties.**

This Principle summarises the crux of the EDT project. It follows naturally from impact investors' acknowledgement of the existence of power imbalances - including those arising specifically from legal processes - and their understanding of why these can be highly damaging (Principles 1 and 3), as well as investors' express affirmation that they can conceptually start overcoming these dynamics by genuinely regarding investees as equal partners (Principle 2).

There are multiple angles to shaping more equitable deal terms, legal processes and documents. We have focused on 4 key elements for the EDT Principles:

- **Principle 4(a): Equitable risk-sharing**
- **Principle 4(b): Equitable legal documents and support to understand them**
- **Principle 4(c): Equitable due diligence and reporting**
- **Principle 4(d): Equitable legal negotiation processes**

For these elements, we have found it invaluable to discuss with the **Growth Impact Fund** about their key legal learnings since launching the fund in 2022, and have incorporated several of their draft findings and recommendations - together with examples of good practice from a range of impact investment stakeholders - throughout Principle 4.

### **Principle 4(a): Equitable risk-sharing**

As discussed in previous Principles, a key feature of current impact investment practice is that risks are regularly pushed "down the chain" by investors, so that frontline organisations and/or service users ultimately often take on the brunt of all or most of the investment risks of the investors and other funders "above" them. These dynamics have the potential to deepen and perpetuate inequalities throughout impact investing practice.

An alternative conceptual approach is **equitable risk-sharing**, whereby risks are allocated amongst all the investors, investees and service users in a project in a more equitable way. This seeks to more accurately reflect the ability of each party to absorb certain risks - and what is appropriate given the overall impact goals of the project - rather than simply who has the least power and is therefore effectively forced to take on the most risks by the other more powerful parties.

On the practicalities of implementing this equitable risk-sharing approach, this could include analysing:

- which risks currently are "cascaded down" on the impact investor by its own funders (including commercial investors);
- which investee risks actually materialise most often in practice during investment transactions (and therefore require the most focus in deal documents);
- if there are any additional risks - perhaps not previously considered - resulting from the investor continuing to apply inequitable processes and power imbalances e.g. reputational damage for the investor amongst

investees and the sector generally / stifling of investee potential to grow financially and maximise impact / perhaps most importantly, harm to service users and vulnerable communities; and

- the legal and regulatory landscape applicable to the parties – such as FCA financial regulation, subsidy control and other regulations applicable to public funds, charity law obligations on investors that are registered charities and additional regulations applicable to institutional investors – which would affect how risks can legally be allocated between the parties.

The key outcomes of this analysis could then be applied to the investor's existing investment processes and legal documents, to explore how they could be streamlined or updated to reflect the investor's "refreshed" risk profile more accurately.

### **Principle 4(b): Equitable legal documents and support to understand them**

A crucial element of equitable risk-sharing in action is the use of clear and fair legal documents, which ideally echo the collaborative nature of the relationship between the investee and investor to the extent possible. It is important that investees also feel that they understand their investment terms and legal documents, and to have a meaningful window – and appropriate support – to help them to query or challenge complex or unfair terms.

In light of these findings, there are a number of practical steps that investors and investees can take towards "equalising" legal documents and providing support to investees to understand them (see next page):

### **Calls to action (Principle 4(a)):**

To implement a more equitable risk-sharing approach in practice, one practical action could be to set up a live "case-study" for the UK social investment sector.

This case study could examine how risks are currently "cascaded" down the chain of investors – to ideally include commercial investors, one or more wholesale funder(s) and intermediary social investor(s) – and ultimately down to the grassroots investee and service users. It could then be explored how the risks could be more equitably shared between the various parties, and how this would impact the specifics of legal processes and documentation, with the intention that the key findings would be shared publicly.

As an immediate next step, EIIP and Bates Wells are currently exploring with the Access – The Foundation for Social Investment about analysing the key funding terms between wholesale funders and intermediary social investors, and considering where the allocation of risk / key constraints in this relationship may principally lie.

If you – as an investor or investee organisation – would be interested in discussing further about equitable risk-sharing, please let us know.

## Presentation of investment terms

- As an example of a practical way to streamline their legal processes as much as possible, the Growth Impact Fund is aiming to negotiate more key terms of their investment deals **before final approval** by their Investment Advisory Committee.
  - For investees' ease of review during the documentation stage, investors could consider preparing a "**cover sheet**" at the beginning of their key investment documents which summarises the most important commercial and legal terms in clear, accessible language. This ensures that the headline investment terms are presented to the investee in a way that is easy for them to read and raise questions on, rather than being buried within the detailed contents of full-form legal documents.
  - Going deeper, investors could also consider reviewing / updating their key investment document templates to ensure that they are in "**plain English**", such as the approach taken by Key Fund's **Plain Language Investment Documents Project**, as supported by the Connect Fund. Furthermore, investors could consider whether their legal documents could be streamlined (to remove unnecessary provisions and restrictions) and reflect a **balanced** rather than investor-leaning approach from the outset. This would involve revisiting which provisions are "must-have" from a legal, regulatory, financial returns or material risks perspective – and ideally removing restrictions that are unduly burdensome, unnecessary or "just in case" investor protections that are rarely exercised in practice.
  - To the extent that, following this process, investment documents retain provisions that appear to favour investors, Investors could consider adding **notes and explanations** to help investees understand why they are there, and where they come from – this is another key legal learning that the Growth Impact Fund team will be implementing.
- Encouragingly, in the legal space we are gradually seeing more momentum and support for 'relational contracting' approaches that emphasise genuine collaboration (on an equal footing) between investors and investees in legal documents. Examples include Dark Matter Labs' **Rethinking Funding & Partnership Agreements project** and LISI's **Impact Term Sheet**, which seeks to better align the legal investment process with safeguarding positive impact.

## Scrutiny of one-sided deal terms

In addition to the one-sided investment clauses identified by the EDT investee interviews (and outlined in our EDT investee interviews report), as part of their legal learnings review, the Growth Impact Fund have also identified several key clauses in investment documents which have been flagged by their investees as particularly one-sided, for scrutiny and reflection by both parties. These include:

- **Key Person clauses:** these typically require key individuals to remain in specified senior posts within the investee. These clauses can reduce investee agency to reshape their teams in times of need, and sometimes do not account for the flexibility some marginalised founders need to manage e.g. medical conditions.
  - (As part of the research stage for these Principles, several investees suggested making Key Person clauses mutual (if the investor insisted on keeping them). This would at least acknowledge that it is equally important for investees that their Key Person contact(s) at the impact investor are retained from a relationship perspective, with any changes requiring prior notice and consultation with the investee.)
- **Early repayment conditions (especially for loans and revenue participation agreements (RPAs)):** this can cause tensions when investors build in timelines for repayment over a number of years when calculating their financial returns, but founders want the flexibility to repay their loans / RPAs early if they can, without incurring a significant early repayment cap or fee.
- **Outright restrictions on incurring more debt (without investor consent):** rather than wholly restricting investees from taking on future debt, investees have welcomed a more collaborative approach whereby investors actively explore investees' likely future growth and debt needs, and pre-emptively build these permissions into the investment documents.
- **Investor board director (and observer) seats:** some investees argue against this due to privacy reasons and the need for space to get advice from the board without an investor in the room. Query whether there may be scope to structure some board meetings so that certain sensitive matters can be discussed between "core" board members without investor board directors or observers present.

## Reassessing security

A recurring theme during the formation of these Principles has been investees challenging whether it is really necessary for investors to take security over their assets. This is because investees feel that security is requested **disproportionately** by some investors, and in a manner that inhibits their ability to grow and support their wider financing needs in the future.

If investors require security from all or many of their investees, they are encouraged to consider the following questions from an equitable risk-sharing perspective:

- Does the investee have any specific features that makes them a particularly **high investment risk** i.e. is it not viable to rely on their historic financial performance / projected cashflows and business model to service the investment, without security?  
*(this may apply specifically, for example, where the investee is facing financial difficulty and their ability to repay the investment is not wholly certain. If these types of features are not present, query whether there is scope to commercially proceed without taking security?)*
- Are you a **registered charity**?  
*(if so, Charity Commission and HMRC guidance does indeed recommend requesting security for repayable investments made by charitable investors. There may be good reasons not to do so from perspective of furthering the investor's charitable purposes and its interests as a whole – and these can certainly be explored on a case-by-case basis.)*
- If you do intend to take security over an investee's assets, what assets are you seeking to take security over and do they have **material value**?  
*(the value of taking security may be quite low if the investee is early stage and/or has no property assets and limited other assets, and the security you are asking for is a "floating charge" or "debenture" over all of the investee's assets. Where current – and likely future – assets have low value, query whether it is proportionate and worthwhile to request security?)*
- If you do intend to take security, is this likely to impede the investee's ability to grow and support their **wider financing needs** in the future?  
*(some investees may need the breathing space to grow and take on commercial investment in the future – which may insist on first-ranking security – in order to maximise their future positive impact. In these cases, query whether it would be possible to invest on an unsecured or subordinated security basis? Of course, there will always need to be a careful balancing act between providing investees with sufficient flexibility, whilst ensuring that they do not take on an unsustainable level of debt too quickly – particularly if the impact investor will end up "ranking behind" a number of commercial investors who do get security).*
- Is there a real risk that the investee's assets would be sold into private hands (in an insolvency scenario), where these assets should stay in the community?  
*(as an expansion of the above question, impact investors often take security to have a "seat around the table" in the instance of an investee's insolvency / liquidation, to seek to protect community assets from being sold into private hands. Again, this will need to involve a careful balancing act to ensure that the investee has sufficient control and flexibility over the use of its assets to support its growth and activities whilst it is operational and in good financial health).*

As a wider point on **transparency**, investors should consider sharing with their investees how often they require security – if that is the case – and the key factors that determine whether this will be required.

## Providing support to understand and negotiate legal documents

- Ideally, investees would have their own **independent legal support** to help them to navigate through and negotiate legal documents. To the extent that investees cannot afford this themselves, investors should – if they have the means to do so – provide some degree of financial support or arrange free (pro bono) legal support for these investees. In the UK, impact investors such as **GMCVO**, **Daring Capital** and the Growth Impact Fund are three examples of investors that provide their investees with free legal support to review and negotiate their investment documents.
- Investees should feel empowered to ask whether this support is available.
- Practically speaking, this may not always be possible; for example, where investors themselves have limited financial and personnel resources, do not have access themselves to pro bono support networks, or the number of investees in a particular new fund is too large to enable diligent case-by-case legal negotiations for each investee. In these scenarios, investors should consider providing – and investees asking for – **alternative forms of guidance** on legal documents, such as:
  - **Preparation of a “transcript”** for investor relationship managers to use to explain the key commercial and legal terms for investees (to discuss in the relevant meeting(s) to discuss investment terms).
  - **Preparation of a “Q&A sheet”** for investees, to answer the most common questions that investees have generally asked in relation to legal processes and deal terms. We understand that the Growth Impact Fund has created “Legal FAQs” to help better prepare founders engage with the fund’s legal processes.
  - **Organising an online group workshop** – with legal counsel present – whereby multiple investees can attend, ask questions and learn more about the key provisions within their legal documents, all within the same session.

With respect to high-level sectoral support for investees, EIP and Bates Wells are currently collaborating with Good Finance to include key legal terms within their **Good Finance Jargon Buster**, to provide plain English, accessible explanations of the most frequently used legal terms for the benefit of investee organisations. We are also exploring the potential to collaborate to co-create an online session on ‘**Equalising Deal Terms – Deep Dive Workshop**’ for Good Finance users, to empower them to have these conversations with their investors and other stakeholders.



### Principle 4(c): Equitable due diligence and reporting

Research conducted in the course of developing these Principles emphasised the operational challenges faced by investees as a result of impact investors' overall financial and social impact reporting requirements, especially where investees had a number of impact investors who all wanted their information presented materially differently. With respect to social impact reporting, a key challenge identified by a number of investee interviewees was the constantly shifting landscape in relation to the constant "layering" of additional and new social impact reporting requirements, which were often nebulous and hard to measure objectively.

As mentioned in Principle 1, disproportionate and overly onerous information requests can pull vital resources, time and energy away from investees' ability to focus on achieving the desired social and/or environmental impact in a financially sustainable way.

Where impact investors are actively engaging with re-analysing (and then applying) a "refreshed" understanding of equitable risk sharing between themselves and their investees – in accordance with Principle 4(a) above – this should extend to the investor's overall approach towards its due diligence and reporting requirements from investees i.e., whether these requirements can be streamlined and revisited with an EII (Equality Impact Investing) lens.

### Calls to action:

- On initial due diligence, investors to consider pushing back on internal **additional due diligence requirements** following Investment Committee approval – this is another key learning that the Growth Impact Fund team has been implementing, to reduce burdens on their investees.
- Going deeper, investors to explore collaborating to streamline and **harmonise** their ongoing reporting requirements, with respect to both financial and social impact reporting. We understand that Good Finance is currently collaborating with the Connect Fund and Crowdfunder to explore the concept of a "financial passport" for investees, which can be used across all of their impact investments.
- To support this, as a call to action for **investees**, consider raising ideas and suggestions with your investors about how their reporting requirements (or some of them) could be tweaked to align with existing reporting requirements you have with your other impact investors.

As a way to empower investees to do this, Good Finance will be launching a '**Due Diligence Social Investment Unpicked Deep Dive Module**' in April 2024. This aims to provide investees with a detailed look at what due diligence looks like in practice, including investor- and investee-focused insights, tips and resources.



### Principle 4(d): Equitable legal negotiation processes

In these Principles, we have identified (at Principle 3) a number of challenges during the legal negotiations stage, where each of the investor and investee have their own lawyers. These dynamics can lead to escalating costs, delays and - in the worst cases - deteriorating trust and goodwill between investees and investors, as well as amplified power imbalances.

As a “call to action” for investors, investees and all of their lawyers, we would share the following recommendations for more equitable legal negotiation processes:

#### Stage 1: Instructing lawyers

As the clients, each of the investor **and** the investee have a responsibility to ensure that their lawyers are **properly instructed** to apply an equitable approach, throughout the negotiations process.

This includes:

- Sharing these **EDT Principles** with their lawyers from the beginning (ideally at the scoping and fee estimate stage), and giving them the opportunity to discuss and **ask questions**.
- Being open with their lawyers from the beginning about the most important **shared goals and key risks** they wish to cover in the documents.
- Throughout the legal process, both investors and investees should feel empowered to **challenge their lawyers** more, if their legal counsel do swing back to a “minimising risk”, “winning points” or “adversarial approach” mentality. Lawyers do tend to err on the side of being more risk-averse, but will ultimately act on instructions if their clients are clear.

#### Stage 2: Establishing clearer timelines

- As already discussed in these Principles, investees often face significant **time pressures** to access investment. This can lead to amplified power imbalances when legal negotiations are delayed, as investees can effectively be forced to concede terms rather than to argue them, due to these time constraints.
- Given these dynamics, it is important to establish **a clear legal process timetable** from the outset for all parties - this has been identified as a key action point from the Growth Impact Fund’s legal learnings.
- Although there may be unforeseen circumstances that delay certain aspects of a transaction, the general approach would be for all parties to hold each other **accountable** to agreed timeframes.

#### Stage 3: All-parties kick-off call

To set the overall tone and collaborative relationship between the investor, investee and all lawyers from the outset, we would recommend setting up an **all-parties kick-off call** at the start of the legal process.

As a real-life example, the Growth Impact Fund has proposed this approach for each of its investment’s legal processes, with the kick-off call to:

- re-emphasise the overall aims of the fund;
- set out their and the investee’s expectations for equitable legal negotiations - by reference to the EDT Principles;
- recapping on the agreed legal process timetable; and
- ask each party to share honestly if any other party is not living up to any of the above values and principles throughout the legal process.

### Stage 4: Preparation of initial drafts

In traditional / commercial investment transactions, it is “market practice” for the investor’s lawyers to prepare first drafts of all key investment documentation (so that they can be drafted in an investor-friendly way).

The investor and investee should openly discuss whether the investee has a strong preference for their lawyers to prepare initial document drafts, if they feel this would be more equitable. In many cases, where the investor has existing templates, it may practically be easier and quicker for the investor’s lawyers to prepare first drafts.

Whoever is preparing the initial drafts, the relevant legal counsel should:

- strive to create first drafts of documents that are already **balanced, equitable, clear and concise**; and
- to expand on this, avoid preparing first drafts that **aggressively favours** their own client, on the attempted justification that the other side can “just negotiate these back”. This approach simply wastes time, legal costs and unnecessarily erodes trust and goodwill between the investor and investee (which needs to be maintained in order for them to work effectively in partnership to effect positive change).

### Stage 5: Conduct of legal negotiations

During the negotiation stage of the legal documents, the investor, the investee and lawyers on all sides should each aim to negotiate in a way that is **collaborative, respectful, pragmatic** and always puts the agreed shared impact goals (and most important risks, if any) of the project “front-and-centre”. Towards this goal:

- legal counsel should avoid advising or negotiating in a way that is unduly **adversarial** or prioritises “point-scoring” for its own sake;
- legal counsel should not push back on requests from the other side just because such requests are not perceived to be “**market-standard**” from their experience of commercial investment transactions. Again, the overall aim should be on achieving equitable risk sharing in light of the shared impact goals and most material risks of the project, which is a different approach;
- this collaborative and pragmatic approach to negotiations should be **mirrored and championed** by each of the investor and investee “client” parties; and
- whilst the legal negotiations are taking place, investors should consider setting up separate **regular “check-ins”** with their investees (outside of the legal process) to make sure that investees feel reassured, to provide space for both parties to share open feedback on the legal process so far, and overall maintain a supportive, united foundation to the investor/investee relationship. This is another key action point from the Growth Impact Fund’s legal learnings review.





## Stage 6: “Wash-up” and ongoing feedback and learning

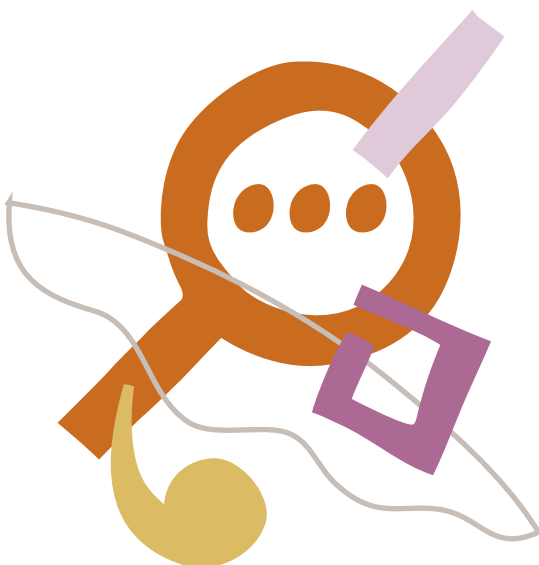
It is acknowledged that implementing more equitable legal processes across the impact investing sector will not happen overnight – many of the challenges come from deeply **entrenched and long-standing legal and commercial norms** around “traditional” investment practices.

To support this journey, we would recommend **feedback / “wash-up” sessions** after the completion of each investment, to (1) openly evaluate – in a safe space – how successful all the parties thought that it had been towards achieving an equitable risk sharing approach, and (2) share key learnings and next steps.

At a sector-wide level, we would encourage **dialogue** across the impact investing legal community – including law firms providing pro bono support – to share key learnings and good practice on an ongoing basis.

## Resources and further reading:

- **Key Fund / Connect Fund**, *“Plain Language” investment documents project*
- **Dark Matter Labs**, alternative *“Funding & Partnership Agreements”* resources
- **Dark Matter Labs**, *“Bilateral Funding Agreement Playbook”*
- **Growth Impact Fund**, *“Laying the Foundations: Learnings from establishing the Growth Impact Fund”*
- **TrustLaw** (Thomson Reuters Foundation)
- **Criterion Institute**, *“Introducing Standards of Practice for Gender Lens Investing”*
- **Due Diligence 2.0 Commitment**
- **Criterion Institute**, *Community-Centered Blended Finance: Towards a Transformative Approach*
- **Justice Funders**, *The Just Transition Integrated Capital Fund Investment Policy Statement*
- **TSIC (The Social Investment Consultancy)**, *USERS Methodology: Putting Users’ Voices at the Heart of Evaluation*
- **Good Finance**, *Jargon Buster*
- **Good Finance**, *The Outcomes Matrix*



## Principle 5

**We will strive to support our internal and external stakeholders and partners to understand and uphold these Principles, and to hold each other accountable to them.**

Throughout these Principles, we have explored the existence of power imbalances between impact investors and investees, the harm this can cause, the importance of affirming the value of investees as equal partners, and the wide variety of approaches and guidelines that could potentially be applied to shape more equitable investment deal terms, legal processes and documents.

In order for these efforts to be meaningful and lasting, it is crucial for both investors and investees to engage with their internal and external stakeholders and partners to understand and uphold these Principles, and to hold each other accountable to them.

### Resources and further reading:

- **CommonFuture**, *Investment Committee participatory standards and spectrum of engagement*
- **The Predistribution Initiative** (particularly Workstream #2: *“Improve internal [investment] governance practices”*)
- **Good Finance**, *Investment Committees of the Future*

### Calls to action:

In relation to engagement with **internal stakeholders**:

- As background context, research conducted in the course of developing these Principles has indicated that investees generally value the empathetic, personal, understanding relationships they develop with their investor relationship managers, but this approach can sometimes fail to translate across into investees’ interactions with investors’ **Investment Committees (ICs), internal and external legal teams and senior management**. This can be due to a variety of factors, including poor internal communications and lack of early engagement from these other investor teams.
- To overcome this, it is necessary for investors to nurture **understanding, buy-in and alignment** towards these efforts throughout their **internal governance structures**, including but not limited to its Investment Committee (IC), in-house legal and senior management teams. This is because power imbalances are present across the entire application of investor decision-making and ongoing monitoring processes, so cannot be meaningfully wholly separated from the legal and deal term elements.
- As a practical step, a greater focus on equitable risk-sharing could, as a practical example, be embedded into investor **on-boarding programmes** for their new IC members, internal legal team members and other recruitment and promotion processes.

## Calls to action:

With respect to engagement with **external stakeholders**, to re-emphasise a number of our previous “calls to action”, we would recommend a particular focus on:

- Engagement by impact investors with **current and potential commercial / institutional investors** into the UK social investment space. As explored in Principle 1, this could involve discussions with key umbrella bodies and organisations that represent such institutional / commercial investors, with a focus on (1) supporting these investors’ understanding of the importance of equitable treatment of investees (and the communities they serve), and (2) exploring how this can be practically implemented in impact investment and legal processes involving commercial investors.
- Engagement by investors with **wholesaler funders** to explore the scope for more equitable risk-sharing between wholesaler funders, intermediary impact investors and investees – which duly recognises and balances the need for appropriate scrutiny and oversight over the use of public funds.
- Consistent and ongoing engagement by both investors and their investees with their **lawyers**, to shape and implement more equitable legal processes and documents as a new “market standard” in the UK social investment sector. Towards this goal, EIIP, Bates Wells, the Growth Impact Fund, Shift and others will be co-organising a **Legal Hackathon** in Spring 2024 to explore shaping more equitable deal terms for the Growth Impact Fund’s legal documents, with law firms operating in the impact investing space.
- In a similar vein, investors and investees to consider convening **sector-wide** forums on these topics, to continue to share key learnings and good practice on an ongoing basis.



## About the facilitators



**Rana Zincir Celal**  
**Director, The Equality Impact**  
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Rana is the Director of the Equality Impact Investing Project (EIIP) and brings over 20 years of global experience working in philanthropy, social investment, academia and civil society.

Alongside EIIP, Rana has recently worked with Lankelly Chase Foundation to foster closer alignment between investments and social movements; the Robert Bosch Stiftung on a flagship programme to reduce inequalities through intersectional practice; Global Dialogue on its new strategy; and the Ubele Initiative to research the infrastructure for anti-racist activism in the UK .

Rana was the founding Executive Director of the Atlantic Fellows for Social and Economic Equity program at LSE's International Inequality Institute, where she also served as a Visiting Fellow. She has held positions with the Ford Foundation (US), Domini Impact Investments (US), Columbia Global Centers (Turkey) and the Home for Cooperation (Cyprus).

She serves on the board of the European Cultural Foundation and was formerly a trustee of Greenpeace International (Greenpeace Mediterranean).

She is the recipient of a Fulbright Fellowship and CUNY's Emerging Leaders in Philanthropy Fellowship.



**Sung-Hyui Park**  
**Partner, Bates Wells**  
 sh.park@bateswells.co.uk

Sung-Hyui is a Partner in the Purpose & Impact team at Bates Wells, the first UK law firm to be certified as a B Corp.

She began the first ten years of her career working as a banking lawyer at Clifford Chance, advising banks, private equity funds and companies on a wide range of national and international financings. This included secondments to Clifford Chance Amsterdam, Citigroup and the Blackstone Group.

Sung-Hyui joined Bates Wells in 2016, and her specialisms include structuring and executing impact-focused finance transactions in forms including equity, debt, quasi-equity and blended finance.

She has a particular interest in equitable and innovative funding structures, which seek to apply the "best of all worlds" from the expertise and experience of the private, public and non-profit sectors.

## About The Equality Impact Investing Project (EIIP):

EIIP is a strategic and collaborative initiative that brings together a range of social finance and equality actors to develop the field, and levels, of equality impact investing. We are currently hosted by the Social Investment Business.

Our combined staff team, partners and associates and advisors bring both a great depth and a wide diversity of expertise and experience in advancing equality and human rights and financing and investing for impact.

### Find out more about us:

[equalityimpactinvesting.com](https://equalityimpactinvesting.com)

### Get in touch:

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Making a profit is core to all businesses but our goal is to combine this with a real social purpose. Our values are pivotal to us, they shape our decisions and the way we live and work.

We focus on positive social impact as much as we focus on being a successful law firm. Our top tier legal advice is coupled with a real desire to drive change and we were the first UK law firm to achieve B Corp certification, awarded to businesses that balance purpose and profit.

Today, our clients are diverse – from corporate household names, to public bodies, to start-ups. We're also the firm of choice for thousands of charities and social enterprises. We continue to lead the market we helped to shape.

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