



Investment funds: financing positive change across the globe

Our mission is to help join up those who have the vision for how to change society and protect the environment with those who have the capital that is needed to pay for the delivery of that vision.

The issue

Many trillions of dollars need to be mobilised over the next decade to address the world’s most pressing environmental and social challenges. Unlocking institutional capital to close the current funding gap is essential if the world is to meet these challenges.

Impact funds are, and will continue to, play a key role in this, linking the expertise of the fund manager to the much-needed capital. Impact funds, by their nature, endeavour to make a financial return and a positive social and/or environmental impact. They invest in a wide variety of assets classes from microfinance to clean tech to education across the globe.

Identifying (and independently verifying) whether impact goals have been met and comparing different products has proven to be difficult. Several organisations have created impact frameworks to facilitate the consistent measurement of impact, and these are now supported by a slew of complex legislation that will force impact managers to back-up their impact claims and performance. The near-term challenge is for managers to do this, and for investors to be able to understand it.



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What we do

Advising both fund managers and investors is a hallmark of our global funds practice. It means we have a balanced view of the market and can anticipate problems. It also means we are adept at finding solutions that work for all parties.

How we can help institutional, and other investors

Impact funds often have an extra layer of complexity, but our deep expertise in both traditional funds and impact funds puts us in a fantastic position to provide the nuanced advice that you need. For example, the traditional approach of assessing liability by reference to whether financial loss has resulted is inadequate in a fund where non-financial factors are critical and the reputational damage associated with major ESG failings could be long-lasting.

How we can help “first time” managers

The prospect of raising your first fund probably seems as daunting as it is exciting. You need a firm that really understands the impact funds sector and can guide you safely through the maze of fund terms so that you know what can/cannot usually be negotiated and what the market standard is on any given issue. Our advice is honest, pragmatic and commercial: we won’t tell you what we think you want to hear; we’ll tell you what you need to know. We’ll also help you to stay in compliance with the myriad regulatory requirements that fund managers must contend with nowadays.

How we can help more experienced managers

The days of paying lip-service to ESG are now over, even if you don’t offer impact products. Investors expect ever-greater levels of ESG compliance and will drill down ever-further into your ESG policies and procedures. We can help you stay on top of these ever-changing expectations and requirements. If you are looking at launching your first impact product, you need to be aware of their nuances and market terms, which are often substantially different to the non-impact equivalent – having acted for many impact managers and investors over many years means that we can help you design and create a successful impact fund.

Our impact

We have partnered with investment managers and institutional investors across multiple industries and geographies to help them achieve their goals in relation to ESG investing. Representative experience includes advising:

- Shell Foundation and IFC (part of the World Bank) on their cornerstone investments in responsAbility Energy Access Fund, focussed on improving access to affordable energy in developing countries. (We were awarded “Funds Team of the Year” at The Lawyer Awards for our work on this groundbreaking project.
- A European DFI on a £150 million managed account with a national government, investing in sustainable land use and forestry projects.
- Educate Global in relation to the launch of Education Enabler Fund 1 LP, a Mauritius based fund being established by a Kenya-based manager, focussed on private equity and private debt investments that support the education of women and girls in East Africa.
- European Investment Bank on its cornerstone investments in new funds focussed on wind and solar power.
- A range of investment manager clients in relation to compliance with the EU Sustainable Finance Disclosure Regulation.
- Contributing to a venture capital fund term sheet resource made available by the UK Government Cabinet Office to assist social entrepreneurs to kick start their plans to launch social impact funds.

Relevant contacts



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