



Invest Differently – The Women Effect

Luxembourg | 9 May 2016

ABOUT ME

- Past Tech Entrepreneur
- Individual Philanthropist / Impact Investor
- Women Effect
- Confluence Philanthropy
- Women Donors Network (WDN)
- Ariadne Network
- EVPA Gender Lens Working Group
- Clearly Social Angels
- Toniic / 100% Impact
- SPRING Accelerator
- Criterion Institute



INVESTOR

PHILANTHROPIST

ADVISER/
STRATEGIST

CATALYST



SOME “LENSES” OF “GENDER LENS” INVESTING...

WORKING TO
DISMANTLE
STRUCTURAL
GENDER
INEQUALITY

DEMONSTRATING
GENDER
EQUALITY/
PARITY

ADDRESSING
URGENT HUMAN
RIGHTS OR SOCIAL
JUSTICE ISSUES

RUN BY WOMEN
ENTREPRENEURS

OFFERING
PRODUCTS &
SERVICES
POSITIVELY
IMPACTING
WOMEN & GIRLS



AND

Opportunity to achieve impact by seeing gender as a factor of analysis across *all* asset classes

Public
Equities,
Public debt

Private Equity

Venture Capital

Angel Investors

Community
Investments

Microfinance

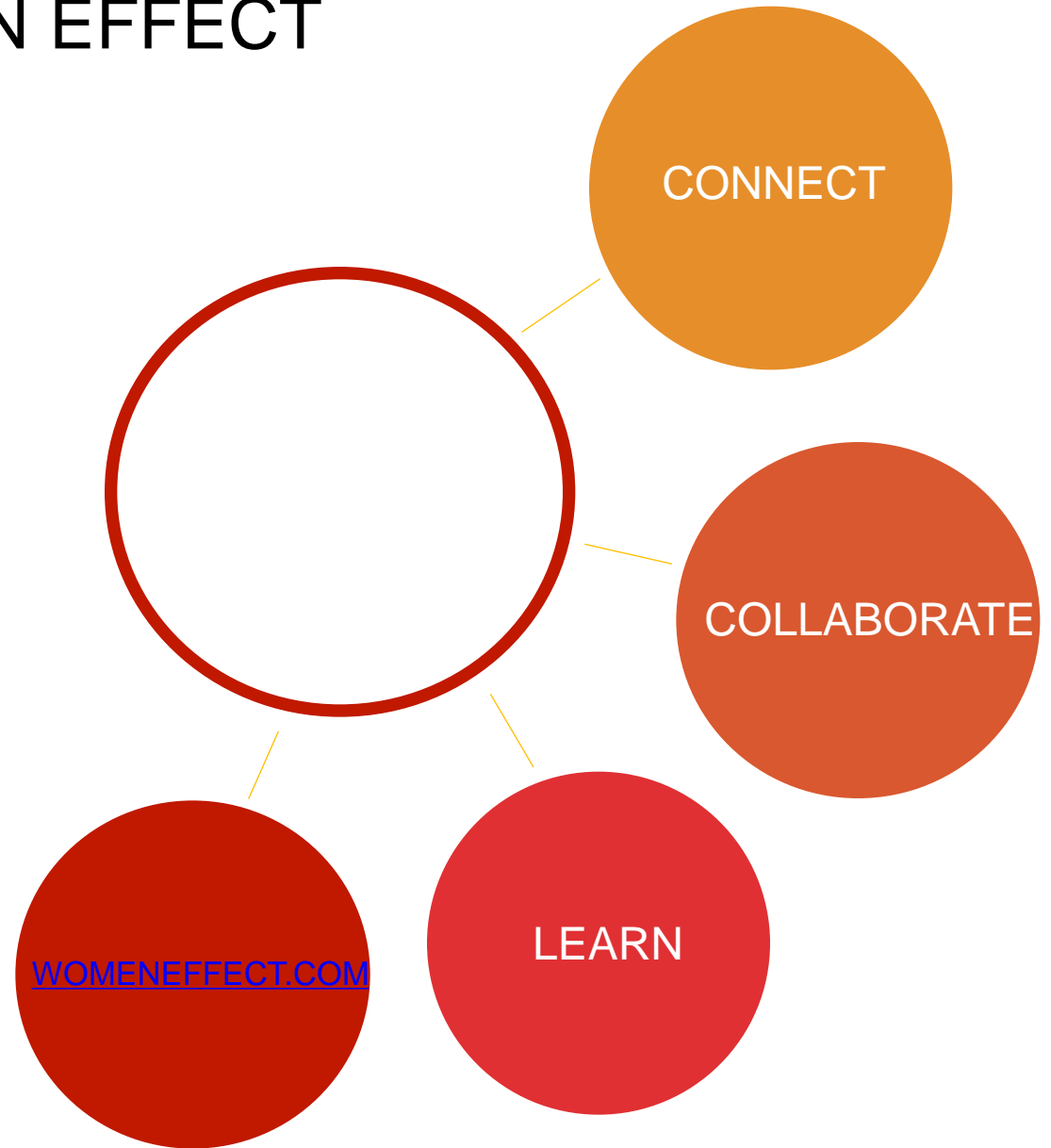


INTRODUCING WOMEN EFFECT

Investing in women and girls leads to positive returns for investors and better social and economic outcomes for everyone.

Valuing women and girls when deploying or managing capital is called the **women effect**.

A growing number of investors with diverse cultural, geographic and investment perspectives have come to realise the women effect.



A dedicated GLOBAL network for investors from all asset classes which makes it easier to invest in women and girls in a strategic way

COLLABORATING

Help investors articulate their principles and areas of focus, get input on new vehicles, and move forward on investment R&D projects of shared interest

FACILITATING LEARNING

Sharing learning to build each other's capacity to increase impact

CONNECTING

Connecting co-investors, co-funders, expertise, and deal flow





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LEARN • CONNECT • COLLABORATE

We believe that investing in women and girls is smart. It leads to positive returns for investors and better social and economic outcomes for everyone. This is **the women effect.**

Public companies with a higher proportion of women leaders enjoy 46% higher ROE and 51% EBIT margin
(McKinsey and Company)

Women led private tech companies see 35% more in ROI and and 12% increases in revenue with 33% less capital
(Kauffman Foundation)

Companies with greater board diversity display excess stock market returns when adjusted for sector bias. They exhibit higher returns on equity, higher valuations & higher payout ratio. *(Credit Suisse)*



POSITIVE POTENTIAL FOR WOMEN EFFECT

With every increase of 10% in girls going to school, a country's individual GDP rises by 3% (*Global Poverty Project*)

Increases in girls education results in a decrease in both human and fiscal costs associated with challenges such as domestic violence and HIV (*BasicEd*)

70% of world's poor are women (Global Poverty Project) yet a billion women are poised to enter the work force (*Strategy*)

Achieving gender equality could add 12 trillion to the world GDP (*McKinsey*)
Potential for positive returns for investors

Gender gaps in labour forces decrease GDP for both rich and poor countries (*Goldman Sachs*)



UPGRADING INVESTMENT APPROACH, DUE DILIGENCE, and MANAGEMENT OF INVESTMENTS, WITH A GENDER LENS

Establish Criteria
Search
Screen
Select
Diligence
Structure
Negotiate
Govern
Report

Governance,
Leadership
And
Management

Customers
and Context

Supply Chain and
Distribution Chain
Questions

Product Design
and
Development,
Products/Services

Policies and
Procedures,
Labor

Marketing



You might look at:

Number of women in ...

Patterns of compensation...

Non traditional gendered roles...

Upward mobility and/or retention rates...

Customer data ...

But it will vary by:

CONTEXT

SECTOR

GEOGRAPHY





Wider spectrum of asset classes and capital needs for different kinds of businesses and organisations that can take different kinds of capital with a gender lens

Type of Finance	Sources of Finance
Microfinance/Inclusive Finance	Funds, MFIs (and their investors)
Larger Loans/Quasi Equity for “Normal” Growth Companies/Enterprises/Social Purpose Orgs	Banks, Peer to Peer Lending, Angels, Foundations/Trusts, Funds
Seed Capital for Ambitious SGBs (Grants, debt, equity, quasi equity)	Foundations, Angels, Incubator/Accelerator MicroVC Funds, Corporates, Crowdfunding
Scale Up Capital for Ambitious SGBs (Equity, debt)	Foundations, Family Offices, Angels, VCs, Other Funds, Corporates, DFIs
Growth, Mezzanine, PE and Public Equity Capital for Growth/Mature Businesses	VC, PE, Banks, DFIs, Family Offices, Corporates, Holding Companies, Public Markets, Pension Funds

STRATEGIES - PUBLIC EQUITIES



(in development)

Morgan Stanley
Parity Portfolio



aperio

SHE (new ETF)



FACTORS OF ANALYSIS - PUBLIC EQUITIES

WOMEN ON
BOARDS / BOARD
DIVERSITY/
SENIOR
MANAGEMENT

PARENTAL /
FLEXIBLE
WORK
POLICIES

PAY GAP

HUMAN
RIGHTS
IMPACT
ASSESSMENTS
/ SUPPLY
CHAIN

SEXUAL
ORIENTATION /
DISCRIMINATION



Holding
Company
Structures

Crowdfundin
g Sites

“Curated”
Angel
Offerings and
Angel
Syndicates

Layered/Inte
grated
Capital
Funds

Collaborative
“Angel” Funds
(like Rising
Tide!)

New
Types of
VCs

Developmen
t Impact
Bonds &
Social
Impact
Bonds

Peer to
Peer
Lending

Matching
Funds

MicroVC
Funds &
Incubator/Acc
elerator
Funds

Sector-
Specific
Community
Investment
Funds



GLOBAL NORTH & GLOBAL SOUTH CONTEXTS & GENDER LENS INVESTING

- How do we source deal-flow with a positive women effect?
- How do we find investment offerings with a positive women effect?
- How do we mobilise capital with a positive women effect?
- What else is needed beyond financial capital?
- How do we know what is strategic, impactful ?













EXAMPLES OF FUNDS THAT USE A GENDER LENS



MERIAN VENTURES



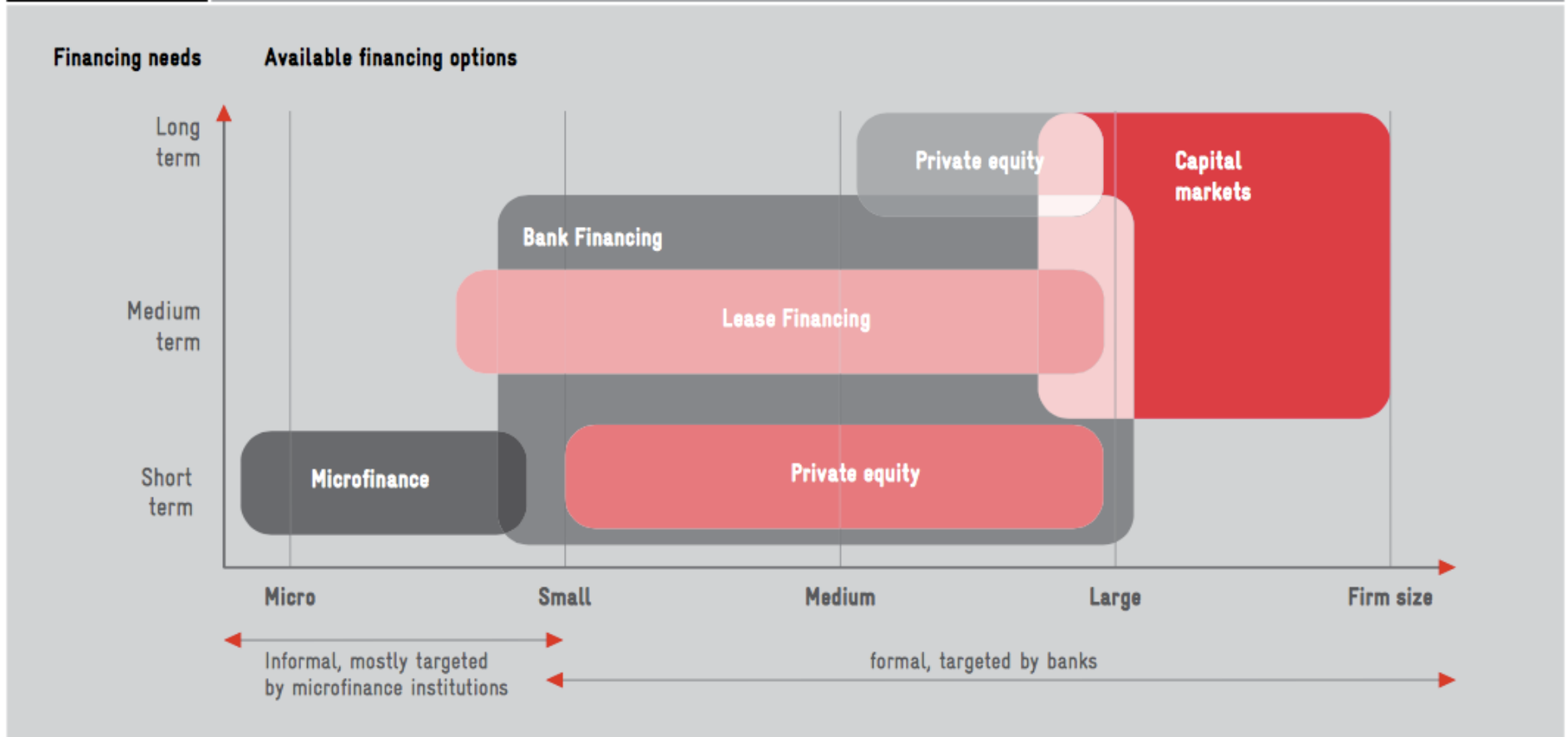
Radical innovation. Solid returns.





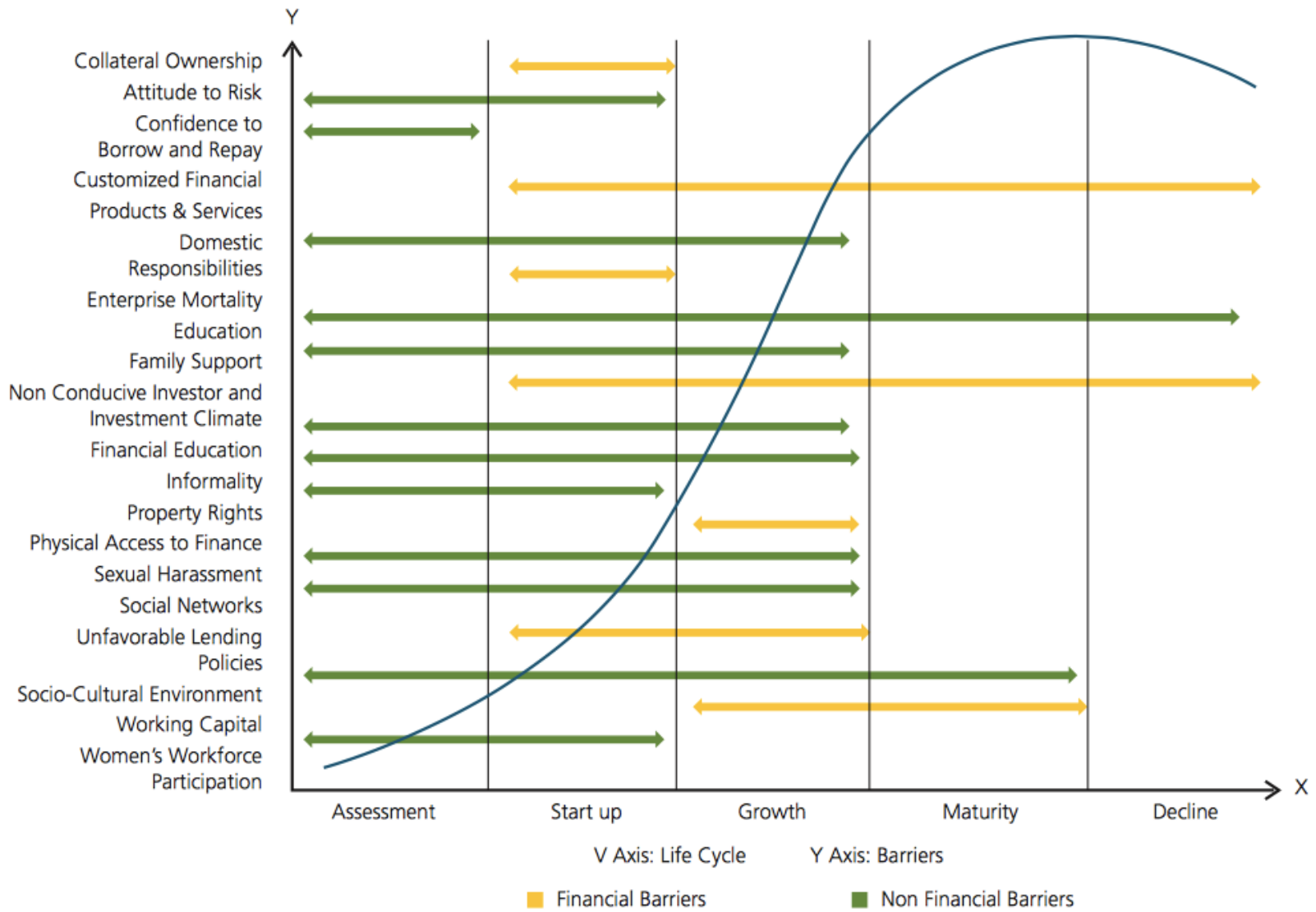
Figure 1

Outline of the different types of enterprise financing needs and options for businesses



Source: IFC, taken from *Two Trillion and Counting: Assessing the credit gap for Micro, Small, and Medium-size Enterprises in the Developing world*, 2010, IFC & McKinsey & Company

Figure 4: Business Life Cycle Analysis – Constraints faced by women-owned SMEs



PHILANTHROPIC STRATEGIES

Grants to social enterprises/charities/impact businesses

- To get them through R&D, pilot stage
- To fund their impact measurement work
- To fund their participation with incubators/accelerators/advisers
- To fund their participation in conferences, events, training on capital raising

Grants to intermediaries

- Incubators/accelerators
- Research
- Advisory work for orgs you want to help
- Research on sourcing ventures to invest in
- Fund a competition, awards

Grants to gender lens investing market formation

Grants to organisations that then invest on

Accelerators and Incubators ... like this one...

SPRING

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**SPRING IS A PIONEERING ACCELERATOR THAT
SUPPORTS BUSINESSES WHOSE PRODUCTS
AND SERVICES COULD TRANSFORM THE LIVES
OF ADOLESCENT GIRLS**

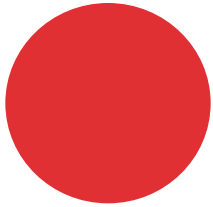
[MEET OUR 2015 SPRING PARTICIPANTS](#)



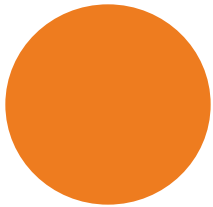
Nike Foundation



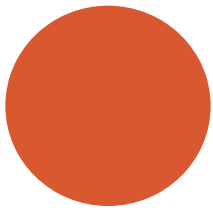
ASK YOURSELF:



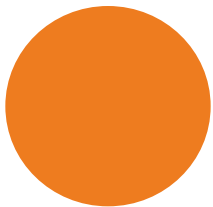
What role do you want to play in helping to move capital with a gender lens, or a much broader set of gender lenses?



How can you move your private / institutional funds or even corporate venture capital? What is the role you can play?



Where can your philanthropy/grants play a role?



Where can public sector capital / development finance play a role?





Suzanne Biegel
womeneffect.com

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