

# Women's Wealth 2030

Parity, power, purpose.





## Content

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Introduction	
<hr/>	
Section 1: Overview	3
Mind the gaps	5
COVID-19 context	7
<hr/>	
Section 2: Funding challenges	9
Attitudes and outdated beliefs	11
Closed networks	13
Language barriers	15
<hr/>	
Section 3: Trends rising	17
Resilience realized	19
Reframing risk	21
Legacy learning	23
Purposeful power	25
D+I to jedi	27
<hr/>	
Section 4: Conclusion and toolkit	29



# Introduction

The 2020s are set to be transformational for women's wealth and with it the global economy. However, in order to unleash its true potential by 2030, major challenges must be overcome.

Globally, in 2021, there are more women in leadership positions, across markets and sectors, than ever before. Women's wealth is accelerating, female entrepreneurs and female-led businesses are on the rise, there is unprecedented wealth transfer between generations of women, and the COVID-19 pandemic has highlighted female resilience and power.

However, gaps in pay and funding – caused by limited access to networks, conscious and unconscious biases, disproportionate care responsibilities, and disparities in education, healthcare, politics and legal rights – are stifling the potential for women to significantly boost worldwide GDP. Additionally, progress toward gender equality has been severely negatively impacted by the pandemic.

As we look ahead to 2030, there is a need to recalibrate global systems and promote gender lens investing, with a focus on parity, power and purpose. In this report, UBS, in collaboration with foresight consultancy The Future Laboratory, explores the rising trends that will drive transformation in the decade ahead.

Section 1

# Overview

Gender equality and inclusion are not only moral and social imperatives, but also have the power to significantly boost gross domestic product (GDP) growth, as well as productivity and profitability. The European Investment Bank's report *Funding Women Entrepreneurs* states that greater gender diversity could lead to a potential increase of 26% of annual global GDP and USD 160 trillion of human capital wealth, and could enhance business performance by 15%.<sup>1</sup>

Christine Lagarde, European Central Bank (ECB) president and former International Monetary Fund (IMF) managing director, states: "Empowering women remains a common denominator and a global imperative for all those who care about fairness and diversity, but also productivity and growth of societies and economies that are more inclusive. If we can achieve this, we all gain."<sup>2</sup>

Across a number of markets, women already command substantial wealth, with the potential to drive economic buoyancy and resilience. Globally, women's wealth has shown unprecedented growth over the last decade. Women now control 32% of the world's wealth, according to Boston Consulting Group (BCG). This will rise at a compound annual growth rate of 5.7% to USD 97 trillion by 2024.

However, financial power varies across markets. Women's wealth in the Middle East amounts to almost USD 800 billion, 13% of total wealth in the region, with BCG predicting that this could reach USD 1 trillion by 2023. In the UK, women entrepreneurs represent over USD 349 billion of untapped economic potential.<sup>3</sup> In Asia, 24% of high net worth (HNW) women report being business owners or entrepreneurs, compared with 15% of men.<sup>4</sup>

There are also significant variations in funding for women in minority groups. ProjectDiane research finds that women of color CEOs receive less than 1% of venture capital (VC) funding. Over the past decade, start-ups led by Latina women have raised just 0.32% and black women have received only 0.06%.<sup>5</sup>

Despite gaps in funding, female entrepreneurs generate more revenue than their male counterparts. A global study by BCG found that for every USD 1 of investment raised, women-owned start-ups generated USD 0.78 in revenue, whereas those run by men generated only USD 0.31. The research concluded that if investors backed female-founded or co-founded start-ups with the same amount of capital as those founded by men, an additional USD 85 million would have been generated over the five-year period studied.<sup>6</sup>

<sup>1</sup> [https://www.eib.org/attachments/thematic/why\\_are\\_women\\_entrepreneurs\\_missing\\_out\\_on\\_funding\\_en.pdf](https://www.eib.org/attachments/thematic/why_are_women_entrepreneurs_missing_out_on_funding_en.pdf)

<sup>2</sup> <https://www.linkedin.com/pulse/global-imperative-christine-lagarde>

<sup>3</sup> <https://www.rbs.com/rbs/news/2020/03/one-year-on--progress-on-rose-review-continues-with-development-.html>

<sup>4</sup> <https://www.rbcwealthmanagement.com/cn/en/research-insights/women-and-millennials-reshaping-investing-and-legacy-in-asia/detail/>

<sup>5</sup> <https://www.kaporcapital.com/the-venture-capital-world-has-a-problem-with-women-of-color/>

<sup>6</sup> <https://www.bcg.com/en-gb/press/6june2018-why-women-owned-startups-are-a-better-bet>



# Mind the gaps

Prior to the pandemic, the World Economic Forum estimated that it would take 257 years for women and men to reach pay parity – an alarming 55 year increase from 2018’s prediction of 202 years.<sup>7</sup> This is particularly concerning when considered in the context of UBS research, which reveals that a 10% gender pay gap can lead to a 40% gender wealth gap, which rises to 85% for a 20% gender pay gap.<sup>8</sup>

These pay and wealth gaps present significant structural barriers to the acceleration of economic gender parity. Research published in the Oxford review of Economic Policy explores the connection between personal wealth and business ownership between genders in Germany. It found that women were less likely to obtain bank loans and therefore, without personal wealth, were also less likely to start their own businesses.<sup>9</sup>

There is a need to empower the world’s female population from a young age by changing political, economic, educational and healthcare systems. In Saudi Arabia, a number of policy reforms made in 2019, such as lifting restrictions on women launching their own businesses, as well as travel, have led to a boom in female-led startups. The Global Entrepreneurship Monitor reported that in 2019/20 Saudi was one of only three countries globally where female startups outnumbered male startups, as a direct consequence of these liberalisations.<sup>10</sup>

Goal five in the UN’s 17 Sustainable Development Goals (SDG) – designed to set the agenda for member nations to 2030 – is ‘achieve gender equality and empower all women and girls’. The SDG includes targets that include ending discrimination, violence and exploitation against women and girls, recognizing the value of unpaid care and domestic work through the provision of public services, infrastructure and policies and promoting shared responsibility, as well as access to sexual and reproductive health and reproductive rights, and use of enabling technologies.<sup>11</sup>

Target 5.5 of the SDG is ‘Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life’. However, while 68% of

global companies surveyed by the UN have a leadership commitment or support for gender equality and women’s empowerment, only 28% have time-bound, measurable goals and targets, with just 25% reporting publicly on progress and outcomes.<sup>12</sup>

Gita Gopinath, Chief Economist of the IMF, believes it’s hugely important to have women in positions of leadership. ‘It makes a big difference especially for young women to see senior women as role models,’ she says.

In her position at the IMF, but also as a professor at Harvard, Gopinath feels that it’s her responsibility to help make the field of economics more inclusive. ‘It’s hugely important for me that women get the attention that they deserve,’ she says. ‘That they have the right environment to work in, to encourage people from all kinds of backgrounds to pursue different kinds of economics and do really well in their careers.’<sup>13</sup>

In the book *Invisible Women*, campaigner and writer Caroline Criado-Perez exposes yet another gender disparity: the gender data gap. This is described as ‘a gap in our knowledge that is at the root of perpetual, systemic discrimination against women, and that has created a pervasive but invisible bias with a profound effect on women’s lives.’

In the book, Criado-Perez recounts numerous case studies of women who have been let down by healthcare because

<sup>7</sup> <https://www.weforum.org/reports/gender-gap-2020-report-100-years-pay-equality>

<sup>8</sup> <https://smartwaytostart.com/women-and-risk-whats-the-deal-my-interview-on-imex-america/>

<sup>9</sup> [https://www.researchgate.net/publication/330998562\\_Entrepreneurship\\_and\\_gender\\_Differential\\_access\\_to\\_finance\\_and\\_divergent\\_business\\_value](https://www.researchgate.net/publication/330998562_Entrepreneurship_and_gender_Differential_access_to_finance_and_divergent_business_value)

<sup>10</sup> <https://www.mbsc.edu.sa/pdfs/2019-2020-GEM-KSA-Womens-Report-English-V2-web.pdf>

<sup>11</sup> <https://www.un.org/sustainabledevelopment/gender-equality/>

<sup>12</sup> <https://www.bsr.org/reports/WEP-AnnualReport2020.pdf>

<sup>13</sup> <https://www.ubs.com/global/en/our-firm/women-in-economics/meet-the-economists/gita-gopinath.html>





Black Girls Code is a place where young women from all over New York can come together to learn about technology

of the data gap. She highlights the growth of femtech – technology designed for female health – as vital to changing this through apps and devices that collect and analyse data on women’s wellbeing. Thankfully, investment in femtech is growing and the category is estimated by F&S to become a \$50 billion dollar industry by year 2025.<sup>14</sup>

Applying a gender lens to policy guidelines and outcomes, to business strategies and value chains, to procurement and supply chains and to how capital is deployed overall, will help overcome current barriers. And with Janet Yellen being announced as the first female US treasury secretary,

Carmen Reinhart as the World Bank Chief Economist, and women at the helm of the IMF and the European Central Bank, the future of finance is certainly moving in a gender-balanced direction, albeit slowly.

Empowering women will not only power economies, but also fuel positive systemic change. Looking ahead to 2030, we’ll witness new female focused funding and founding trends that transform our world.

<sup>14</sup> <https://ww2.frost.com/frost-perspectives/femtechtme-digital-revolution-womens-health-market/>

# COVID-19 context

The COVID-19 pandemic has resulted in major economic disruption across the globe. It has impacted markets, the investment landscape and individual businesses in unexpected ways – and women have been disproportionately affected. C Nicole Mason, president and CEO of the Institute for Women’s Policy Research, told the New York Times, “We should go ahead and call this a ‘shecession’.”<sup>15</sup>

<sup>15</sup> <https://www.nytimes.com/2020/05/09/us/unemployment-coronavirus-women.html>





May 2020 analysis by Citigroup showed that of the 44 million predicted worldwide redundancies due to COVID-19, 31 million would be women.<sup>16</sup> Figures from the Bureau of Labor Statistics show that 140,000 jobs were lost in the US in December 2020, and all of them were held by women.<sup>17</sup>

Additionally, female-led businesses have taken a significant hit, with 64% of women-led firms describing their business operations as strongly affected by the pandemic, compared with 52% of male-led companies, according to the International Trade Centre.<sup>18</sup> Nearly 90% of female entrepreneurs reported a decrease in sales in the first and second quarters of 2020, according to a survey by WEConnect International.<sup>19</sup>

Lockdowns have also created unequal pressures on women as the primary caregivers in families. According to the Office for National Statistics, in the UK women were responsible for two-thirds more childcare than men<sup>20</sup> and the Institute for Fiscal Studies reports that, while mothers were in paid work at 80% of the rate of fathers in 2014/15, this has now fallen to 70%.<sup>21</sup> Within the female population, there are additional disparities. In the US, Latina and black mothers are shouldering more care burdens than white mothers, as they are more likely to be their household's sole earner or have partners who work away, according to McKinsey & Company.<sup>22</sup>

Before the pandemic, one in three women worldwide experienced physical or sexual violence, most often by an intimate partner; emerging evidence indicates that this has intensified since the outbreak of COVID-19.<sup>23</sup>

Care burden and other anxieties are stretching many women entrepreneurs. More than one-third of women who own a small to medium-sized enterprise (SME) in the Middle East or North Africa are experiencing increased anxiety due to the uncertainty about COVID-19 and concerns about how to support the health and wellbeing of employees. An additional third say that increased care demands have reduced their ability to focus attention on their businesses, thereby diminishing their income.<sup>24</sup> Globally, female entrepreneurs are 10% more likely to say that domestic responsibilities have impacted their work during the pandemic.<sup>25</sup>

Yet the situation also offers an opportunity to reshape how we approach work, care and gender roles, for example, by expanding shared parental leave and flexible

working options. "Look at what we've been able to demonstrate in such a short period of time around COVID-19: flexible working, people working from home and digital technology," says Suzanne Biegel, founder of Catalyst at Large and co-founder of GenderSmart. "We need to use that muscle to rebuild organizational cultures around flexible working, digital technology and a shift in understanding that the solutions we need are coming from men and women innovators across the globe."

COVID-19 has also called attention to female leadership. Countries and companies with women at the helm have displayed outstanding strength and resilience. Now, Ngozi Okonjo-Iweala has been appointed the first female and first African director general of the World Trade Organization, and Lagarde is championing building back better and greener post-pandemic.<sup>26 27</sup>

"We really have no choice but to accelerate and bring gender-smart investing to a systemic level," Dolika Banda, an independent consultant, told the GenderSmart Investing Summit 2021.<sup>28</sup>

"The pandemic has really highlighted the power of female leadership," says Chris Sanderson, co-founder of The Future Laboratory. "It's been a hard, unsettling reset for the whole world, but there's an unprecedented opportunity for the entire population to come together, transform systemic issues and drive equity forward."

<sup>16</sup> <https://www.bloomberg.com/news/articles/2020-05-21/women-s-job-losses-could-shave-1-trillion-off-global-gdp>

<sup>17</sup> <https://www.bls.gov/news.release/empst.t21.htm>

<sup>18</sup> <https://www.intracen.org/uploadedFiles/intracenorg/Content/Publications/ITCSMECO2020.pdf>

<sup>19</sup> <https://weconnectinternational.org/covid/>

<sup>20</sup> <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/articles/parentinginlockdowncoronavirusandtheeffectsonworklifebalance/2020-07-22>

<sup>21</sup> <https://www.ifs.org.uk/publications/14860>

<sup>22</sup> [https://www.wiw-report.s3.amazonaws.com/Women\\_in\\_the\\_Workplace\\_2020.pdf](https://www.wiw-report.s3.amazonaws.com/Women_in_the_Workplace_2020.pdf)

<sup>23</sup> <https://www.unwomen.org/en/news/in-focus/in-focus-gender-equality-in-covid-19-response/violence-against-women-during-covid-19>

<sup>24</sup> <https://europeansting.com/2020/07/27/4-key-trends-on-how-covid-has-impacted-women-in-business/>

<sup>25</sup> <https://www.thewomensorganisation.org.uk/wp-content/uploads/2020/11/The-Female-Founders-Forum-Resilience-and-Recovery-report-October-2020.pdf>

<sup>26</sup> <https://www.theguardian.com/global-development/2021/feb/15/wto-ngozi-okonjo-iweala-first-african-first-woman-new-head>

<sup>27</sup> <https://www.eceee.org/all-news/news/christine-lagarde-must-change-course-to-a-green-coronavirus-recovery/>

<sup>28</sup> <https://twitter.com/GenderSmartIS/status/1359928583595175937/photo/1>

Section 2

# Funding challenges

There are numerous challenges facing women when it comes to funding and financial empowerment. The amount of capital investment received by female-led businesses varies across markets, but the overall picture makes for worrying reading.

Between 2016 and 2019, women received 2.2% of the total USD 11 billion invested in Nordic start-ups, according to the Unconventional Ventures Nordic Startup Funding report.<sup>29</sup> In Africa, the African Development Bank estimates that the funding gap between men and women stands at around USD 42 billion.<sup>30</sup>

Additionally, a lack of financial education and networks focused on young women and girls is resulting in fewer women in VC leadership and financial advice roles. Paul Donovan, global chief economist, UBS Global Wealth Management, says that outdated beliefs are stifling diversity and with it innovation.

“Prejudice puts irrational barriers in place to hiring the right person,” he explains. “Preventing the right person from getting a job because of their gender, race, sexuality or

any other irrelevant criteria weakens economic efficiency. As technology increases the value that humans bring to the workplace, prejudice will become increasingly costly.”

This detrimental effect will also be felt if prejudices and biases aren’t overcome in the investment world. Looking ahead to 2030, there are major barriers to overcome to ensure that women and men receive equal pay and funding.

<sup>29</sup> <https://www.unconventional.vc/report/>

<sup>30</sup> <https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/afawa-affirmative-finance-action-for-women-in-africa/why-afawa>

# Attitudes and outdated beliefs

Attitudes towards women and conscious and unconscious biases are major barriers for female entrepreneurs seeking funding. Expectations around caregiving and gendered perceptions around financial management are diminishing women's confidence and affecting decision-making.

Tim Radjy, chairman of impact investing group AlphaMundi, says, "When you have gender-balanced companies, funds and fund managers, you tend to have more resilient returns and, in general, better balanced decisions. So, one of the issues is a cultural one – you need to shift the perception of the role of women in society."

The UBS Own Your Worth report finds that the majority of married women globally let their spouses make financial decisions. Reasons include long-standing "historical and social precedents to family, gender roles and confidence levels," such as following parental examples in terms of gender roles and financial control.<sup>31</sup>

Attitudes to wealth management and gender vary across markets and cultures. In the BCG report *Managing the Next Decade of Women's Wealth*, no Middle Eastern women respondents reported being involved in financial decisions, while in Asia most female respondents said they take the lead in their households.<sup>32</sup>

Another consequence of long-standing attitudes towards gender roles means that women have more caregiving duties and continue to be viewed as the primary caregivers in families. However, this is not reflected in governmental and workplace policies.

A BCG survey published in May 2020 found that on average women spend 15 hours more on domestic labor each week than men.<sup>33</sup> A report by the UN Economic and Social Commission for Western Asia states that, prior to national lockdowns, the unpaid care workload of women in the Arab region was the highest globally at 4.7 times higher than that of men.<sup>34</sup> This is expected to have further

increased due to the effects of the pandemic. In the UK, women spend 60% more time than men on family care, according to the Alison Rose Review of Female Entrepreneurship.

Despite this burden of care, only 18% of global companies surveyed by the UN in 2020 against its Women's Empowerment Principles Gender Gap Analysis Tool provided on-site childcare and/or referrals for off-site childcare. Just 21% tracked the percentage of women and men using parental or care benefits, and a meagre 9% publicly reported the number of employees using parental or care benefits disaggregated by sex.<sup>35</sup>

In the *Unconventional Ventures Nordic Startup Funding* report,<sup>36</sup> Nora Bavey, general partner at the investment firm, writes about her experience as a female entrepreneur pitching to investors: "I experienced firsthand just how the industry and its ecosystem works for a person like me; some might say I inherently had great data points to use, female founder, working in tech, with an immigrant background, pregnant with my third child, and with plenty of warm introductions.

"I realized quite quickly that those warm introductions were creating safe spaces for the investors to ask me uncomfortable questions that had more to do with my appearance and background than my business model. I also realized that I and many like me had to validate ourselves as entrepreneurs half of the time rather than validating my business model."

Jane Sun, CEO of international online travel agent Trip.com Group, believes that COVID-19 could be a positive catalyst for change in terms of finding balance between professional and personal commitments. "I think COVID-19 really made people rethink the challenges, and what are the most important things in life," she says.

In a powerful statement of shifting balance and perceptions, Bumble dating app CEO Whitney Wolfe Herd became the youngest woman to take a company public in the US, in February 2021. She marked the occasion by bringing her baby son with her to ring the NASDAQ bell. The company's Instagram account posted a picture with the caption, "This is what leadership looks like."

“One of the positive things to come from lockdown is men and women being able to spend lots of time with their children, with their family, while technology made it possible to have meetings very effectively. All these advancements will enable people to conduct their business more efficiently, and therefore be able to spend more time with their family to achieve a work/life balance.”

Jane Sun CEO of Trip.com Group

<sup>31</sup> <https://advisors.ubs.com/fwmg Sarasota/mediahandler/media/323256/own-your-worth-report-2020.pdf>

<sup>32</sup> <https://www.bcg.com/en-gb/publications/2020/managing-next-decade-women-wealth>

<sup>33</sup> <https://www.bcg.com/publications/2020/helping-working-parents-ease-the-burden-of-covid-19>

<sup>34</sup> <https://reliefweb.int/sites/reliefweb.int/files/resources/>

<sup>35</sup> [policy\\_brief\\_on\\_the\\_impact\\_of\\_covid-19\\_on\\_gender\\_relations\\_in\\_the\\_arab\\_region\\_en\\_1.pdf](https://www.bsr.org/reports/WEP-AnnualReport2020.pdf)

<sup>35</sup> <https://www.bsr.org/reports/WEP-AnnualReport2020.pdf>

<sup>36</sup> <https://www.unconventional.vc/report/>



# Closed networks

The lack of women in VC funding and financial advisory positions is leading to a culture of closed ecosystems. In addition, it means that even when women do gain access to networks, they are often misrepresented and generally underserved.



Zopa is a neo bank and peer to peer lending company focused on empowering its customers to FeelGood about money

Of the 16,018 portfolio managers tracked around the world for Citywire's Alpha Female 2020 report, just 1,762 (11%) were women.<sup>37</sup> A report from management consultancy Oliver Wyman reveals that globally, women working in financial services hold 20% of positions on executive committees and 23% on boards, but only account for 6% of CEOs.<sup>38</sup>

This is holding women back from seeking advice, even when they have experience with money or wealth. Research by Accenture found that while women were more likely to use dedicated advisors than men, they were less likely to say they were satisfied with the advice they received.<sup>39</sup>

"Women are not often in the flow of networks," says Biegel. "Whether it's friends and family to get them started or relationships with banks, institutional investors, venture capitalists or the private equity sector. Women are not in as many networks that help entrepreneurs raise money."

She explains that COVID-19 has made lack of access to these networks even more problematic. "If women were disproportionately undercapitalized before, then now we're exacerbating it by saying that the people who are going to get the COVID-19 relief financing are going to be the people who we're already backing." For underrepresented groups within the female population, such as women of color, this impact will be felt even more.

Although COVID-19 has shone a positive light on female leadership in times of crisis, with global leaders such as New Zealand Prime Minister Jacinda Ardern widely praised for her empathetic yet decisive response to the pandemic, this positivity isn't necessarily being reflected onto female entrepreneurs.

"If you look at the numbers in VC fundraising right now, we're slipping backwards for women," says Biegel, and PitchBook published research in October 2020 showing that venture funding for female founders had hit its lowest quarterly total in three years.<sup>40</sup> "It's a hard fundraising environment for a number of people, but men are still much more in the flow of capital. We should be able to look at all these women scientists, innovators and political leaders and translate that success into investment opportunities, but it's just not happening as much as it should."

Leila Hoteit, managing director and senior partner at BCG, says that having women in positions of financial leadership in the Middle East has had a positive impact on the region: "The financial services industry has been one of the first industries to provide senior positions to women.

"For example, in Saudi Arabia, all major banks have women at the board and/or C-level positions. There has also been significant increase in mid-level managerial positions held by women. Some of these women have also started playing key roles in the fintech industry and are driving the disruption in financial services by serving underserved segments."

Hoteit says that this gender lens will drive diversification of investment through targeted advice. "In general, women feel less comfortable about trying different investment opportunities and stick more to what they know. Helping them experience new asset classes and new investment opportunities will require a more focused and differentiated effort."

Even when women do have a seat at the VC table, there are still inequalities to combat. IFundWomen is a VC fund founded in 2016 to tackle the systemic inequalities women face when raising capital. Julia Steele, head of marketing and communications, says, "Being a female partner at a VC firm does not necessarily mean you are one of the 'partners' who can write a check. While it is indeed important for there to be more women on both sides of the table, ultimately it will mean nothing if the funding volume for female-founded businesses continues to decrease."

<sup>37</sup> [https://citywire.co.uk/Publications/WEB\\_Resources/alpha-female/alpha-female-2020-dollars.pdf](https://citywire.co.uk/Publications/WEB_Resources/alpha-female/alpha-female-2020-dollars.pdf)

<sup>38</sup> <https://www.oliverwyman.com/our-expertise/insights/2019/nov/women-in-the-financial-services-workforce.html>

<sup>39</sup> <https://www.accenture.com/us-en/insights/capital-markets/reinventing-wealth-management-women>

<sup>40</sup> <https://pitchbook.com/news/articles/vc-funding-female-founders-drops-low>

# Language barriers

The very language used by investors, finance professionals and the media is holding women back from reaching their full wealth potential. Bias runs so deep that not only are women entrepreneurs asked different questions than their male peers, they also answer differently.

Research by Dana Kanze, assistant professor of organizational behavior at London Business School, revealed that while women are asked mainly prevention questions when pitching for investment, men are asked promotion ones – something Kanze views as a major barrier for female entrepreneurs.

“When it comes to venture funding, entrepreneurs need to convince investors of their start-up’s home-run potential,” she explained in a talk at TEDxPeachtree.<sup>41</sup> “It’s not enough to merely demonstrate you’re not going to lose your investors’ money. So it makes sense that women would be getting less funding than men if they’re engaging in prevention as opposed to promotion-oriented dialogues.”

Kanze also found that these dialogues have an impact on the perception of each entrepreneur, creating a “cycle of bias that merely perpetuates the gender disparity.” In her research Kanze found that in scenarios where entrepreneurs were asked promotion questions, they received twice the funding allocations of those where entrepreneurs were asked prevention questions. “What’s especially promising is that those entrepreneurs who switched focus to promotion even when they received prevention questions, received significantly more funding.”

Outside the investment world, the media is perpetuating gender disparity in the way it talks about money to men and women. In a linguistic study of 300 articles, Starling Bank found that “65% of money articles in women’s magazines define women as excessive spenders and advise them to limit, restrict and take better control of shopping ‘splurges,’ and they’re then encouraged to maximize their economic contributions through forms of thrift like saving

small sums, earning small amounts, or finding a means of financial support, like a parent. Or a husband.”<sup>43</sup>

Conversely, the study found that in articles aimed at men, “70% emphasize that making money is a masculine ideal.” They position financial success in terms of status and use linguistic codes of “combat, strength, power, competition and performance.” The conclusion is that men and women are targets of everyday sexism when it comes to the language of money and this is having a significant effect on societal perceptions, and with it investment decisions and financial empowerment.

The need for change also applies to the language used around leadership responses. Vicki Saunders is a UBS global visionary and founder of SheEO, a crowdfunded, crowd-supported ecosystem that provides interest-free loans to women-identifying and gender non-conforming entrepreneurs working towards sustainability goals. She explains that when it comes to being faced with difficult choices, we often hear of three responses – fight, flight or freeze – but this lens is too narrow, as women exhibit another response: tend and befriend.

“We respond to stressful conditions by protecting and nurturing our young (the ‘tend’ response), and by seeking social contact and support from others – especially other women (the ‘befriend’ response),” says Saunders, highlighting how this narrative must shift.

<sup>41</sup> [https://www.ted.com/talks/dana\\_kanze\\_the\\_real\\_reason\\_female\\_entrepreneurs\\_get\\_less\\_funding/transcript?language=en](https://www.ted.com/talks/dana_kanze_the_real_reason_female_entrepreneurs_get_less_funding/transcript?language=en)

<sup>42</sup> <https://www.starlingbank.com/blog/make-money-equal/>

<sup>43</sup> <https://www.linkedin.com/pulse/gender-smart-summit-speech-feb-10-2020-vicki-saunders-she-her-/?trackingId=wxT%2Bmi0wRcyKt%2FRfifFuuQ%3D%3D>



## Section 3

# Trends rising

With women becoming more prominent wealth-holders, societal and financial structures are beginning to evolve in response. New generations of women will drive investment trends around risk, purpose, resilience, legacy and education. Over the coming decade, we'll see increased inclusion at leadership level, leading to diversity of thought and innovation.

“In personal and professional realms, women hold the key to political, economic and social salvation post-pandemic. This female future will recalibrate entrepreneurship and funding around a new set of priorities that will force governments and businesses to reform global agendas.”

Martin Raymond, co-founder, The Future Laboratory

# Resilience realised

COVID-19 has highlighted, once again, the need for economic, social and personal resilience. The UN has highlighted how vital the female population is to global recovery,<sup>44</sup> saying that “intentional expansion of fiscal space that recognizes and invests in women’s specific priorities must be central to the design of recovery packages.”

Ensuring that the world “builds back better,” UN Women and W20 are calling on G20 finance ministers and central bank governors to promote gender-responsive impact reviews, greater fiscal space for countries in the Global South, and greater investment in gender-responsive budgeting. At the same time, in partnership with leading gender lens investors, the Criterion Institute has identified 10 evidence-based economic patterns that show why gender is material to the recovery.<sup>45</sup>

Despite being disproportionately impacted by the pandemic, women entrepreneurs have drawn on skills and knowledge to innovate and remain buoyant. In the UK, 60% of female-founded, equity-backed businesses were operating with minimal disruption to their business, according to an October 2020 report from the Female Founders Forum.<sup>46</sup> One in four women surveyed by members’ club AllBright is setting up their own business as a result of the pandemic.<sup>47</sup>

“Because women have had to work twice as hard and often raise less capital, they have to do more with less and are more resilient,” says Biegel. “Also, they often think more about people and build relationships internally with their organizations, and with external partners and suppliers. When things get tough, people and organizations who have strong relationships are more resilient.”

Women also have a more positive outlook than men, according to UBS Investor Sentiment Q4 research, which finds that 69% of female business owners are optimistic about the economy, compared to just 55% of men. These women will be joined by new generations of investors and entrepreneurs who will catalyze change to ensure resilience. According to a 2020 survey by Deloitte, Generation Z and millennials are expressing a desire to create a better future and are showing optimism, even in the face of uncertainty and turbulence.<sup>48</sup>

In order to capitalize on this optimistic outlook and build resilience further, women need access to funding and networks, as well as mentorship to build confidence. An example of an initiative addressing these requirements is INSEAD business school’s partnership with the Financial Women’s Association of Singapore. Their aim is to encourage businesses to tackle the confidence gap by encouraging women to internally assert their core values through positive affirmation exercises.

Additionally, with women’s rights negatively impacted by the pandemic, there is a need for resources. Global multidimensional fund Women Win is paving the way on this front, launching the Global Resilience Fund for Girls and Young Women. The fund provides grants of USD 5,000 to support activists campaigning for female rights during the crisis.

SheEO’s community of investors has been helping businesses survive the pandemic. At the start of the pandemic, Saunders organized an emergency online meeting to gauge how badly businesses linked with SheEO were being affected. “Within 24 hours, women in the network were loaning each other money, resourcing how to crowdfund ways for them not to have to lay off their staff, supporting each other online and becoming each other’s customers,” she says, pointing to SheEO’s philosophy of “radical generosity.”<sup>49</sup>

<sup>44</sup><https://www.unwomen.org/en/news/stories/2020/7/statement-joint-w20-women-during-covid-19-and-beyond>

<sup>45</sup><https://criterioninstitute.org/wp-content/uploads/10-Points-of-Materiality.pdf>

<sup>46</sup><https://static1.squarespace.com/static/58ed40453a04116f46e8d99b/t/5f82210f7761ab2128ec2819/1602363716092/Resilience+and+Recovery.pdf>

<sup>47</sup><https://www.harpersbazaar.com/uk/people-parties/bazaar-at-work/a33860615/women-setting-up-their-own-business/>

<sup>48</sup><https://www.prnewswire.com/news-releases/deloitte-survey-reveals-resilient-generation-millennials-and-gen-zs-hard-hit-by-covid-19-pandemic-yet-view-this-period-as-an-opportunity-to-reset-take-action-301083361.html>

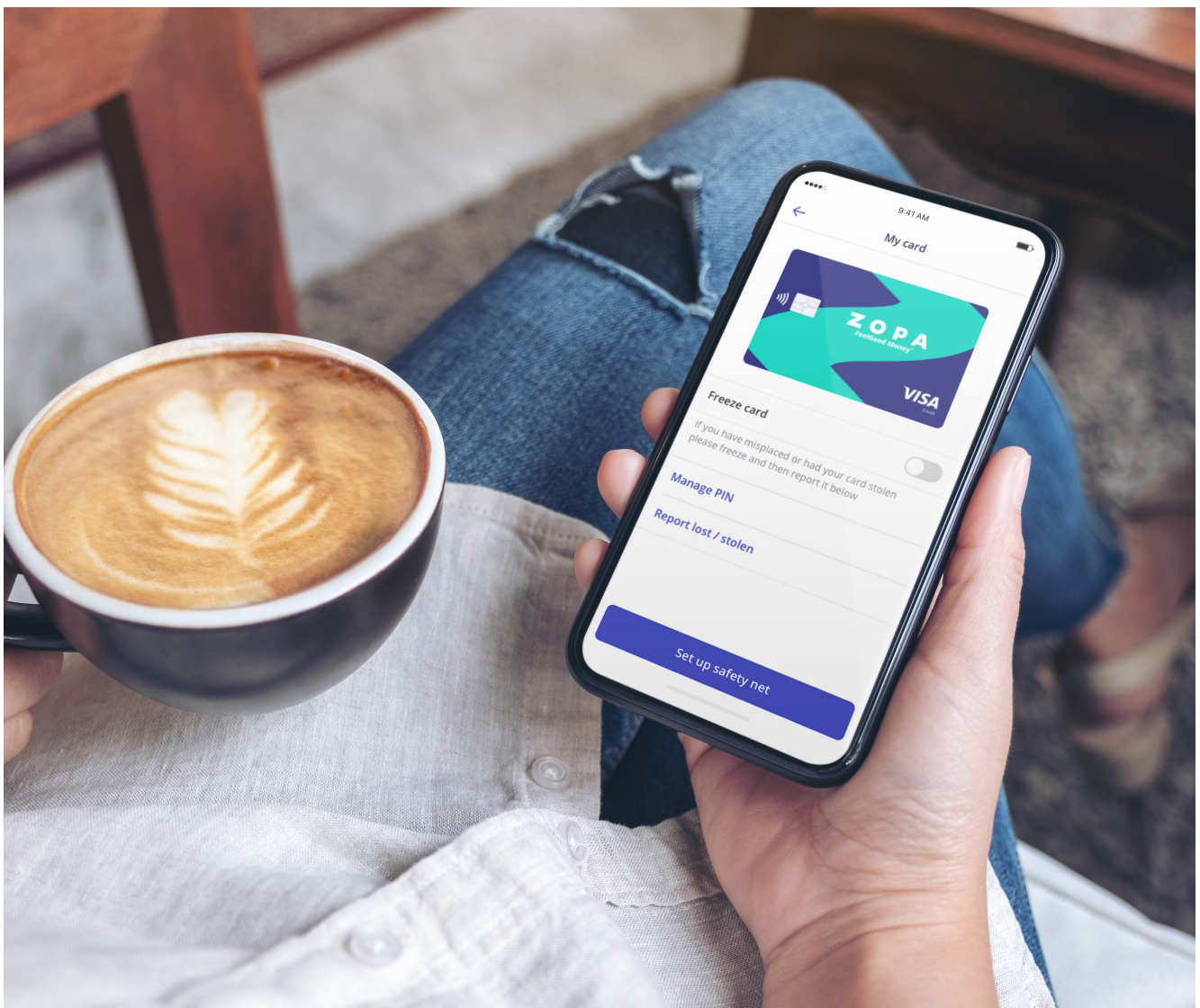
<sup>49</sup><https://www.oprahmag.com/life/work-money/a31955674/female-entrepreneurs-coronavirus/>





# Reframing risk

Risk is being re-evaluated and reframed – for example, from short- and medium-term financial risks toward long-term life goals, as well as emphasizing the importance of moving from saving to investing, in order to sustain quality of life in old age. Financing for longevity is highly relevant for women, due to longer life expectancy than men.



Zopa

Long-standing research had concluded that, on average, women are more risk-averse – or at least risk aware – than men when it comes to investments. However, new research by academics from London Business School, Babson College and University of Bergamo, suggests that the truth is more nuanced.<sup>50</sup>

“Our research on social entrepreneurship and impact investing has led us to believe that whether women are inclined to take risks depends on the context. In fact, in some circumstances women may be more likely to accept what we call ‘social risk’.”

From an article for Harvard Business Review. The researchers describe social risk as “decisions that have important human or social consequences, in addition to financial ones.”

Social risks are also explored by Mara Harvey in her book *Women and Risk*: “What we call risk today only looks at those commonly associated with men, such as physical and financial risks, without factoring a broad spectrum of social risks or ethical aspects, such as standing up for what is right despite jeopardizing one’s reputation, refusing to lower one’s standards, or valuing career satisfaction over profit. When you reframe the concept of risk to include these types of actions, women take just as many risks as men.”

With different mindsets and motivations, female entrepreneurs and investors need tailored financial advice. “Can we move away from a conventional notion of risk and focus on what are the real risks that women are facing and that we’re not having proper dialogue around?” asks Harvey.

“The real question that people should ask is not just what equity market risk might I be taking if I’m investing. It should be: can I maintain my quality of life after I retire?

In light of pay gaps, wealth gaps and pension gaps, understanding how one’s own investment decisions can help to mitigate those gaps is a crucial dialogue for any woman’s financial future.”

This point is especially pertinent in light of the fact that a 25-year-old woman will need USD 158,300 more for retirement than a man, according to Financial Finesse.<sup>51</sup> “Wealth for women is a means to a number of ends and it is not the end in itself. Women are therefore more likely to plan for life stages and key events,” explains Anna Zakrzewski, managing director and partner, BCG.

If the Nobel Prize-winning American economist Richard Thaler’s work is anything to go by, women’s goal-based approach should continue to reap rewards well into the future. Thaler discovered that investors are more likely to be risk averse when it comes to gains, but risk seeking when facing losses, which can result in behaviors such as panic selling. However, this can be counteracted through goal-based investing, which stops investors from making rushed and irrational decisions.<sup>52</sup>

Women, then, with their more measured and values-driven investment style, are on the right path. “Women take more deliberate investment decisions,” says Zakrzewski. ‘They take these decisions based on facts and data. They spread their risk and make less concentrated investments than men. They trade less frequently and also invest for the long term, and this approach is paying off.’”

<sup>50</sup> <https://hbr.org/2020/12/how-the-gender-balance-of-investment-teams-shapes-the-risks-they-take>

<sup>51</sup> <https://money.cnn.com/2017/04/07/retirement/women-finances-gender-gap/index.html>

<sup>52</sup> <https://qz.com/1097877/the-2017-nobel-prize-in-economics-to-richard-h-thaler-for-his-contributions-to-behavioral-economics/>

# Legacy learning

Financial education needs to begin at an early age, especially for girls, who often lack financial confidence as adults. This is not just about fitting into a male-led world or matching male agendas, but also about forging new paths for wealth that are focused on sustainable growth.

Research shows that by age five, children have a sense of self-esteem comparable in strength to that of adults.<sup>53</sup> “If we’re not having these conversations with little kids, it’s a problem. And especially with little girls who need to be given a massive boost in terms of talking about money so they know their worth, so they are encouraged to negotiate their worth. It’s a skill for life,” explains Harvey.<sup>54</sup>

Hoteit agrees. “Women investors and entrepreneurs may lack financial confidence due to the fact that girls have less financial literacy compared to their male counterparts,” she says. “This could be potentially due to cultural expectations that cause parents to discuss financial issues less with their daughters than they do with their sons.” She says this is particularly visible in the Middle East, but is a worldwide issue and suggests that “governments should consider including financial education in curriculums as a key skill for the future.”

While systemic change is necessary to ensure women are taught money confidence from a young age, there is also an opportunity for organizations and corporations to step in where governments are struggling or failing. “Any platform which is massive and organized would be suited to implement programs of change to inspire the next generation of girls and youth to behave more sustainably, and to create a more sustainable reality,” says Radjy.

As well as established institutions, new networks and initiatives are helping to boost financial education for girls and empower them with the tools they need to make confident decisions. For example, Girls Who Invest is a non-profit dedicated to increasing the number of women in portfolio management and executive leadership in the asset management industry. In partnership with colleges, companies and networks, Girls Who Invest aims to empower young women through a mix of education, mentoring, internships and community initiatives.

These learning networks become even more important in developing countries where women often face barriers to all education, let alone being taught financial skills. The need for these networks has been further amplified during the COVID-19 crisis.

Satellite communications company Avanti, with partners, set up Project iMlango, an e-learning program that delivers broadband and online learning content to rural areas of Kenya. The company reports that it has provided 68,000 girls with the opportunity to continue learning even during schools’ closures due to the pandemic.<sup>55</sup>

Women are expected to inherit 70% of the wealth that will be passed down over the next two generations<sup>56</sup> and will become increasingly influential as they teach their children about money, legacy and investments. As a result of COVID-19, 49% of US women are discussing inheritance with their kids, according to a survey conducted by UBS.

By a majority of more than two-thirds, women say that they are now acting with legacy in mind, according to RBC Wealth Management. This legacy is increasingly focused on more than just money with 62% of women agreeing that societal causes have become more important than wealth accumulation in defining legacy, compared with 53% of men.<sup>57</sup>

<sup>53</sup> <https://www.washington.edu/news/2015/11/02/childrens-self-esteem-already-established-by-age-5-new-study-finds/>

<sup>54</sup> <https://www.youtube.com/watch?v=B25P-ZNLQ8>

<sup>55</sup> <https://www.avantiplc.com/case-studies/project-implango/>

<sup>56</sup> <https://alphafmc.com/>

<sup>57</sup> [the-benefits-of-gender-diversity-can-women-improve-wealth-manager-returns/](https://www.rbcwealthmanagement.com/gb/en/research-insights/the-new-face-of-wealth-and-legacy-how-women-are-redefining-wealth-giving-and-legacy-planning/detail/)

<sup>57</sup> <https://www.rbcwealthmanagement.com/gb/en/research-insights/the-new-face-of-wealth-and-legacy-how-women-are-redefining-wealth-giving-and-legacy-planning/detail/>





# Purposeful power

Female entrepreneurs and investors will put purpose close to the top of their agendas, while also prioritizing financial gains. According to BCG, 64% of women said that they factor environmental, social, and governance concerns into their investment decisions.<sup>58</sup> This number is likely to increase as Generation Z and millennial consumers and investors gain more financial power.



Wealthsimple invests money in socially responsible initiatives across the globe

The world now has the largest youth population in history, according to the UN. They are optimistic, entrepreneurial activists with a less-talk, more-action attitude, who are growing up in a woke world of revolutionary tech – and COVID-19 has bolstered their commitment to social purpose.

According to the Deloitte Global Millennial Survey 2020, nearly three-quarters of respondents said the pandemic had highlighted new issues and made them more sympathetic to the needs of others. More than 70% of millennials said they had already taken action to have a positive impact on their communities, and nearly three-quarters said they planned to do so once restrictions have been lifted.<sup>59</sup>

This social streak will fuse with their digital native expectations and entrepreneurship to create notable change: according to a report from Wunderman Thompson Commerce, 51% of Generation Alpha want a job where they can use technology to make a difference.<sup>60</sup>

A desire to use money and business to better the world is even more of an imperative for women. In Switzerland, HNW women “view their money as a tool for facilitating broader goals like education, freedom to choose their careers and doing good in society, rather than wealth being an end goal in itself,” states a report by Campden Wealth Research.<sup>61</sup>

By using their own social networks, women are pioneering different approaches to benevolence.<sup>62</sup> The Collective Giving Research Group revealed that 70% of charitable organizations were made up of mostly females, while nearly 50% were exclusively made up of women.<sup>63</sup>

Impact investing currently accounts for USD 715 billion of global capital allocation.<sup>64</sup> However, as women build legacies around social purpose and future generations bring their own passion for changing the world into investment decisions, we’ll see this area expand, especially through new funding models.

ClearlySo is a European investment bank focused purely on impact investment and “committed to building a financial system that accounts for social and environmental impact, and supports enterprises and funds to do good while they are doing well.”<sup>65</sup> Another example is 2X Challenge, which was launched during the G7 summit in 2018 with the aim of mobilizing capital to support projects empowering women through entrepreneurship, leadership, employment and financial decision-making. In 2020, it announced that it had deployed a total of USD 4.1 billion in gender-smart investments through partner development finance institutions.

One area of impact investing where women are making a particularly strong commitment is climate change. Women are

disproportionately affected by climate change, alongside low-income and other disadvantaged groups, and are also key to the solution. Climate change is a “manmade problem with a feminist solution,” said Mary Robinson in her role as the UN’s special envoy on climate change.

GenderSmart’s Climate and Gender Investing Working Group was formed in 2020 to “unlock the potential of applying a gender lens to climate finance and vice versa.”<sup>66</sup> A 2021 report from the group highlights the importance of gender-smart investment in building long-term climate solutions.

Gender lens investing is on the up in public and private funds. Project Sage is an annual analysis by Wharton and Catalyst at Large of gender lens private funds investing. When the project started in 2017, 58 gender-smart vehicles were tracked; this rose to 87 in 2019 and 138 in 2020.<sup>67</sup> Biegel is currently tracking over 220. In public markets, gender-smart funds grew from USD 3.4 billion in mid-2019 to USD 11 billion by the end of 2020, aided by a USD 2.9 billion allocation from Japan’s Government Pension Investment Fund in December.<sup>68</sup> In the US, institutional investors considered gender lens as a criterion in USD 868 billion of investment assets in 2018, more than doubling from 2016.<sup>69</sup>

Other tools and frameworks are emerging to help these movements further. The International Finance Corporation, in partnership with CDC and the Canadian government, has developed a road map for fund managers on how to strengthen gender diversity within their firms and how to incorporate a gender focus into investment operations. The Gender-Smart Enterprise Assistance Research Coalition (G-SEARCh) supports SMEs to implement gender-smart technical assistance activities which improve social and financial performance.

“The recognition that we’ve got to have men and women equally contributing to get us to a COVID recovery is key,” says Biegel. “We need the best talent to solve the challenges that we’re facing as a planet, whether that is COVID, the climate, or other. I think investors’ recognition of the risk and the reward for getting that right is going to create a real sea change in the long run.”

<sup>59</sup> <https://www.bcg.com/en-gb/publications/2020/managing-next-decade-women-wealth>  
<sup>60</sup> [https://www2.deloitte.com/content/dam/Deloitte/be/Documents/human-capital/Deloitte%20Belgium\\_2020%20Millennial%20Survey.pdf](https://www2.deloitte.com/content/dam/Deloitte/be/Documents/human-capital/Deloitte%20Belgium_2020%20Millennial%20Survey.pdf)  
<sup>61</sup> <https://intelligence.wundermanthompson.com/2019/10/generation-alpha/>  
<sup>62</sup> <https://www.juliusbaer.com/it/insights/wealth-planning/wealth-and-influence-a-means-to-an-end-for-swiss-women/>  
<sup>63</sup> <https://www.lsglobal.com/markets/article/22118/women-s-wealth-market-part-1>  
<sup>64</sup> [https://www.researchgate.net/publication/321061798\\_The\\_Landscape\\_of\\_Giving\\_CirclesCollective\\_Giving\\_Groups\\_in\\_the\\_US](https://www.researchgate.net/publication/321061798_The_Landscape_of_Giving_CirclesCollective_Giving_Groups_in_the_US)  
<sup>65</sup> <https://www.pionline.com/esg/global-impact-investment-market-going-strong-despite-pandemic-giin>  
<sup>66</sup> <https://www.clearlyso.com/about-us/the-team/>  
<sup>67</sup> <https://www.gendersmartinvesting.com/climate-gender-working-group>  
<sup>68</sup> <https://www.wharton.upenn.edu/story/project-sage-3-0-key-insights-from-the-latest-gender-lens-investing-report/>  
<sup>69</sup> <https://parallelfinance.com/latest-quarter-gender-lens-funds-performance/>  
<sup>69</sup> [https://www.ussif.org/files/Publications/Investing%20to%20Advance%20Women\\_US%20SIF.pdf](https://www.ussif.org/files/Publications/Investing%20to%20Advance%20Women_US%20SIF.pdf)



# D+I to JEDI

Diversity has come a long way in the past decade, however there is still improvement to be made within many organizations and sectors. As Generation Z – the most diverse generation in history – comes of age, we'll see the next decade typified by a shift from diversity and inclusion programs and quotients to organizational identities built on embedded cultures of justice, equity, diversity and inclusion – or JEDI.



“The global crisis of the COVID-19 pandemic – and later, the Black Lives Matter protests and reckoning – forced all of us to change our plans for the year: from the solutions we were building to the speed at which we were building them, to how we would release them into the world, to the questions we asked ourselves and each other about what ‘good’ looks like when it comes to alpha, equity, and impact,” says Biegel.<sup>70</sup>

She predicts a “deepening of the gender-smart investing community’s commitment to justice, equity, diversity and inclusion, and a growth in investment solutions that look beyond silos.” One example of this is non-profit organization Diversity VC’s Standard, a code and symbol for best practice in the investment industry. Launched in the UK in 2020, it is hoped that the standard will set a precedent for other regions to follow.<sup>71</sup>

In 2020, the proportion of women in senior management roles globally was 29%, the highest number ever recorded, according to Grant Thornton’s Women in Business report.<sup>72</sup> However, a report by the International Labor Organization shows that women are overrepresented in administration and other support functions, while men are more concentrated in areas such as operations which are viewed as “critical experience” for board-level positions.<sup>73</sup>

Research from McKinsey & Company finds similar barriers, describing a “broken rung” preventing women from gaining promotion. In the US, just 85 women to every 100 men were promoted to manager between 2015 and 2020. For minority women, this gap was even wider: only 58 black women and 71 Latina women were promoted. This meant that at the beginning of 2020 women held just 38% of manager positions, compared to 62% for men.<sup>74</sup>

In order to get more women from diverse backgrounds into C-suite positions, companies need to rethink their policies in line with women’s needs and wellbeing. Trip.com Group provides free taxi rides for female members of staff who are pregnant, and when the baby is born the company gives USD 120 as a welcome gift and USD 460 toward education. Flexible working hours are also offered when the woman returns to work.

Jane Sun, CEO of Trip.com Group, says that because many women are extending their education, the company also offers to pay for workers to have their eggs frozen. “That’s very progressive. We’re the only company that offers this kind of policy.” She says that these benefits are a direct result of having female leadership. “If you do not have females, or working mothers at the leadership team, employees will leave you because they don’t feel their needs are being addressed, and that is so unnecessary.”

Technology will be a breakthrough sector for JEDI-era boardrooms. With Silicon Valley holding so much power in the 21st century, but lacking diversity, it is vital to boost funding for female-led start-ups. According to Crunchbase, there were 21 new female co-founded unicorn companies in 2019, the highest count in a one-year period.<sup>75</sup>

“The next tech disruptor or innovator in the global start-up ecosystem can and will be a female trailblazer,” believes Juliette-Marie Somerset, CEO and managing partner, Somerset Capital. “Here in Silicon Valley we have an excellent opportunity to show leadership by empowering women entrepreneurs.”

She cites organizations such as All Raise – a non-profit on a mission to increase gender diversity and equity in the tech industry – as vital. In November 2020, it announced that it had raised over USD 11 million to aid this mission.

Launched by a group of female venture capitalists, All Raise aims to “rewire the tech industry from the inside out” by creating a funding and founding ecosystem in which women and non-binary individuals from diverse backgrounds lead. This includes growing seed and early-stage funding for female founders from 11% to 23% by 2030 and doubling the number of female decision-makers in US tech ventures with at least USD 25 million in assets under management from 9% to 18% by 2028.

“Change as we all know and accept can come gradually,” says Somerset. “I personally have a commitment to accelerate female entrepreneurship globally because economic empowerment of women is the ultimate solution to a more equitable, diverse and inclusive global market. Diversity, inclusion and gender equality all support the case for business imperative and business success. Indeed we must aim higher.”

UBS Chief Economist Paul Donovan agrees. “Navigating a more complex world of change will require companies to consider their business from as wide a range of perspectives as possible. A monoculture of thinking will almost certainly miss risks and opportunities as the world changes. With real diversity, better-quality decisions will be taken, and innovation is likely to flourish.”

<sup>70</sup> <https://www.linkedin.com/pulse/what-we-learned-gender-smart-investing-2020-suzanne-biegel/>

<sup>71</sup> <https://www.diversity.vc/event/diversity-vc-launches-the-standard-during-london-tech-week/>

<sup>72</sup> [https://www.granthornton.global/globalassets/1.-member-firms/global/insights/women-in-business/2020/women-in-business-2020\\_report.pdf](https://www.granthornton.global/globalassets/1.-member-firms/global/insights/women-in-business/2020/women-in-business-2020_report.pdf)

<sup>73</sup> [https://www.ilo.org/global/publications/books/WCMS\\_700953/lang-en/index.htm](https://www.ilo.org/global/publications/books/WCMS_700953/lang-en/index.htm)

<sup>74</sup> [https://www-report.s3.amazonaws.com/Women\\_in\\_the\\_Workplace\\_2020.pdf](https://www-report.s3.amazonaws.com/Women_in_the_Workplace_2020.pdf)

<sup>75</sup> <https://news.crunchbase.com/news/more-female-founded-unicorns-were-born-in-2019-that-before-data-shows/>

Section 4

# Toolkit 2030

By 2030, there will be more women in positions of leadership. These female leaders will be moving further toward parity with their male peers, they'll feel confident and empowered, and they will put purpose at the heart of their investments.

In the 2020s, women's wealth and power will continue to grow at the fastest rate ever. With this growth comes the promise of justice, equity, diversity and inclusion. However, there are still major barriers facing women entrepreneurs and investors, and these must be overcome in order to reduce the disturbing prediction that it will take over 250 years to reach gender pay parity.

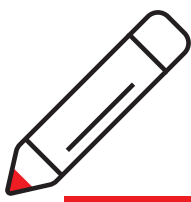
The journey will be one of challenges, matched by optimism, buoyancy and resilience. Through systemic transformation of education, politics, healthcare and economics, a new generation of women will be empowered to take control of their futures. Here, we outline how to take the crucial next steps to usher in a new era of women's wealth defined by parity, power and purpose.



### Teach STEM

Great leaps have been made in the past decade with regards to enhancing STEM education for girls. As we look ahead to 2030, there is a need to add another M for money.

Young women need to be taught financial skills from an early age to ensure that they can fulfil their potential as entrepreneurs, investors, innovators, disruptors and leaders. With early-stage encouragement, women will be empowered to continue their educational journey throughout their lives, mentor others, and leave a legacy of knowledge for generations to come.



### Create JEDI networks

Everyone has a role to play in lifting up women and promoting justice, equity, diversity and inclusivity across the board. Given the events of 2020, no-one can ignore the need for racial equity to be at the heart of this.

Female empowerment should not be viewed as the job of women-only clubs, networks or bubbles. There is a need for more men to step forward as allies who are dedicated to this cause.

While women are taking top jobs across sectors, there is still a lack of diversity. More can be done to ensure that women from all backgrounds, particularly women of colour, don't trip on the "broken rung" of the promotion ladder and that entrepreneurs receive the funding they deserve. On this journey, we'll need to move away from treating women as one homogenous group and focus more on individuals.



### Promote purpose led growth

Nurture new funding models that put impact top – or close to the top – of the agenda. As economic growth is threatened time and again by unforeseeable events, society will need to seek fresh metrics of progress.

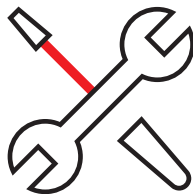
Looking to 2030, a new generation of female entrepreneurs, leaders and investors will have brought their values-led approach to finance. They'll innovate with sustainability, wellbeing and justice as goals, alongside profits.



### Change the script

Abolish bias by asking men and women the same questions, and ensure equity through flexibility and empathy. While society has successfully shifted many of the entrenched perceptions about gender roles, there is still a long way to go before women have opportunities that are equal to those available to men.

The journey to 2030 will involve rethinking approaches to financial advice and pitching. Risk should be reframed around goals and legacy, rather than completely focused on short-term profits and trading.



### Rebuild with resilience

In order to rebuild the global economy and build back better, we need women. Female leaders have proven their worth, crisis after crisis. Investors and VCs must recognize this by providing ambitious funding for female-led businesses.

Gender lens investing is gaining momentum but there needs to be deeper systemic change. Across the financial ecosystem, we need more encouragement for women investors, advisors and entrepreneurs – those who can have a significant impact, not only by boosting GDP, but also by making the world a better place for all.



### Create a caring economy

By 2030, governments and companies should have policies in place that ensure women and men have equal opportunities for caring, thereby taking the burden off women to be the main or sole family caregivers. Post-pandemic, there is a chance to transform the work/life challenge and create balance.

Technology will be central to this future vision. Remote and flexible working can now be carried out more effectively than ever and this will help women and men achieve parity of responsibility in the home.

# Regional snapshots

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## Europe and UK

In 2018, over 90% of capital raised by tech companies backed by European venture capital (VC) went to teams that did not have a single female founder.<sup>76</sup>

83% of deals made by UK VCs have no women on the founding teams.<sup>77</sup>

Just 4% of UK venture funding goes to all-female teams.<sup>78</sup>

InvestEU, an investment program launched in 2021, aims to mobilize private and public investment in Europe to bring about sustainable, inclusive and innovative growth. It places a strong emphasis on measures to promote gender equality.<sup>79</sup>

Five of the 15 gender lens private market funds headquartered in Europe recorded by Project Sage have a focus on the environment.

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## US

Gender lens as a criterion was applied to USD 868 billion in US money manager assets in 2018, more than double the USD 397 billion identified in 2016.<sup>80</sup>

2.8% of VC funding in 2019 went to all-female founding teams, totaling USD 3.3 billion.<sup>81</sup>

Fewer than 10% of decision-makers at US VC firms are women.<sup>82</sup>

Although only 5.6% of all US-based VC firms are led by women, there is more diversity in women-led funds and women partners than anywhere else in the industry.<sup>83</sup>

<sup>76</sup> [https://ec.europa.eu/info/sites/info/files/economy-finance/dp129\\_en.pdf](https://ec.europa.eu/info/sites/info/files/economy-finance/dp129_en.pdf)

<sup>77</sup> <https://www.british-business-bank.co.uk/uk-vc-female-founders-report/>

<sup>78</sup> <https://www.british-business-bank.co.uk/wp-content/uploads/2019/02/British-Business-Bank-UK-Venture-Capital-and-Female-Founders-Report.pdf>

<sup>79</sup> [https://europa.eu/investeu/home\\_en](https://europa.eu/investeu/home_en)

<sup>80</sup> <https://tribeimpactcapital.com/the-rise-of-gender-lens-investing/>

<sup>81</sup> <https://techcrunch.com/2019/12/09/us-vc-investment-in-female-founders-hits-all-time-high/>

<sup>82</sup> <https://www.axios.com/venture-capital-women-tech-diversity-29c3f2f0-2d1e-4ec5-b542-7878ab149d45.html>

<sup>83</sup> [https://assets.ctfassets.net/jh572x5wd4r0/7qRourAWPj0U9R7MN5nWgy/711a6d8344bcd4f01a6dcf766a3c0/WVC\\_Report\\_-\\_The\\_Untapped\\_Potential\\_of\\_Women-Led\\_Funds.pdf](https://assets.ctfassets.net/jh572x5wd4r0/7qRourAWPj0U9R7MN5nWgy/711a6d8344bcd4f01a6dcf766a3c0/WVC_Report_-_The_Untapped_Potential_of_Women-Led_Funds.pdf)



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## South East Asia and Asia Pacific

Impact capital deployed with a gender lens has increased over the last three years, with 39 gender lens investment deals in the region deploying USD 350 million in 2017-2019, compared with 33 deploying USD 43.3 million in 2007-2016.<sup>84</sup>

24% of Asian HNW women report being business owners or entrepreneurs, compared with 15% of men.<sup>85</sup>

64% of Chinese firms have female participation in ownership, which exceeds the average of economies in the next best region by more than 33%.<sup>86</sup>

Almost 90% of capital invested using a gender lens in Indonesia, the Philippines and Vietnam has targeted microfinance institutions, which largely serve female customers, and investments which promote women's financial inclusion.<sup>87</sup>

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## Middle East

Between 20% and 40% of the Middle East's USD 3.1 trillion investable assets is estimated to be held by or for women.<sup>88</sup>

Only 1% of companies managing impact investment assets have their headquarters in the Middle East and North Africa.<sup>89</sup>

There is an estimated funding gap between men and women of around USD 42 billion in Africa.<sup>90</sup>

USD 316 billion could be added to Africa's GDP by 2025 if the gender gap is bridged.<sup>91</sup>

<sup>84</sup><https://investinginwomen.asia/knowledge/advance-impact-investing-south-east-asia/>

<sup>85</sup><https://www.rbcwealthmanagement.com/cn/en/research-insights/women-and-millennials-reshaping-investing-and-legacy-in-asia/detail/>

<sup>86</sup>[https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2019/mar/Moving-toward-gender-balance-3\\_21.pdf](https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2019/mar/Moving-toward-gender-balance-3_21.pdf)

<sup>87</sup>[https://theiain.org/research/publication/landscape-southeast-asia#:~:text=The%20report%20finds%20that%20Southeast,institutions%20\(DFI\)%20since%202007.](https://theiain.org/research/publication/landscape-southeast-asia#:~:text=The%20report%20finds%20that%20Southeast,institutions%20(DFI)%20since%202007.)

<sup>88</sup><https://www.internationalinvestment.net/opinion/4006465/comment-women-wealth-middle-east>

<sup>89</sup><https://mashoragroup.com/can-mena-capital-markets-drive-impact-investment/>

<sup>90</sup><https://www.afdb.org/en/topics-and-sectors/initiatives-partnerships/afawa-affirmative-finance-action-for-women-in-africa/why-afawa>

<sup>91</sup><https://www.mckinsey.com/featured-insights/gender-equality/the-power-of-parity-advancing-womens-equality-in-africa>

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