

GENDER+ FINANCE

Gender Lens Investing:

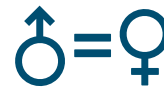
How Finance Can Accelerate Gender Equality in Latin America and the Caribbean (LAC)

GENDER LENS
INVESTING GENERATES
**FINANCIAL RETURNS
AND ADVANCES
GENDER EQUALITY**

INVEST IN COMPANIES THAT:



ARE OWNED OR
ARE LED BY
WOMEN



INCORPORATE
GENDER EQUALITY
POLICIES



GENERATE PRODUCTS
AND SERVICES THAT
SPECIFICALLY BENEFIT
WOMEN

GENDER LENS INVESTING INCLUDES:

IT IS A PRO-ACTIVE, INTENTIONAL
INVESTMENT STRATEGY THAT CROSSES
ASSET CLASSES AND STRATEGIES.

- Private Debt
- Private Equity
- Seed/Angel
- Venture Capital

**PRIVATE
MARKETS**

**PUBLIC
MARKETS**

- Public Equities
- Fixed Income

In the last few years, public markets and private equity gender lens investment vehicles with more explicit gender lens mandates grew explosively. In 2018:

**US\$ 2,2
billion**

in funds for private
equity vehicles

**US\$ 2,4
billion**

Assets Under Management
(AUM) invested in gender
lens strategies¹

THE GENDER LENS CONVERSATION IS SHIFTING
FROM **MICROFINANCE TO MORE SOPHISTICATED
FINANCIAL VEHICLES, SUCH AS: VENTURE CAPITAL
AND PRIVATE EQUITY.**

1. Suzanne Biegel, Sandra M. Hunt, Sherryll Kuhlman, Project Sage, "Tracking Venture Capital with a Gender Lens", 2017, y Veris Wealth Partners, "Gender Lens Investment Opportunities in Public Markets", 2017.

The business case for Gender Lens Investing

There's a significant **financing gap** for women-led businesses in LAC. Yet, women continue to outpace the market for customer and credit growth²:



US\$ 5
BILLION

For women
micro businesses



US\$ 93
BILLION

For women SMEs



GENDER BONDS are part of a new trend of social finance that represent an innovative way to lend to women and/or women-led MSMEs.

INVESTING IN GENDER DIVERSITY CAN LEAD TO BUSINESS AND INVESTOR GAINS

Board diversity:



44%

Increase net
revenue³



15%

Higher
profitability⁴



AN INCREASING NUMBER OF INDEXES ARE EMERGING THAT TRANSPARENTLY DOCUMENT THE GENDER-EQUITABLE PRACTICES OF COMPANIES.

- LAC indexes include the **MILA Pacific Alliance Index** and sustainable stock exchanges in Mexico, Brazil and Chile.
- The IDB Group created **IndexAmericas**, that has a gender subset for the top 10 publicly-traded companies in LAC with gender equitable practices.
- In 2019, the following LAC companies entered Bloomberg **Gender Equality Index** include: Banco Bradesco, Coca-Cola FEMSA, Itaú Unibanco, Telefónica, Walmart Mexico and Central America.

THE POWER OF WOMEN'S MARKETS WILL CONTINUE TO GROW

For 2025 women are forecasted to control

75% **consumer spending⁵**

Women also control spending as individual investors. Global data shows that women represent a key **investor segment driving gender lens investing.**

2. "The Economics of Banking on Women", 2018. Global Banking Alliance for Women (GBA).

3. "Women Matter: A Latin America Perspective", 2013. McKinsey Global Institute.

4. "Why Diversity Matters", 2015. Mc Kinsey Global Institute.

5. "Women: the Next Emerging Market", 2013. Ernst & Young (EY).

TO LEARN MORE ABOUT GENDER LENS INVESTING GO TO:

www.idbinvest.org/genderlensinvesting