

GENDER+ FINANCE

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

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 IS:

IT IS A PROACTIVE INVESTMENT STRATEGY ACROSS ASSET CLASSES

- 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

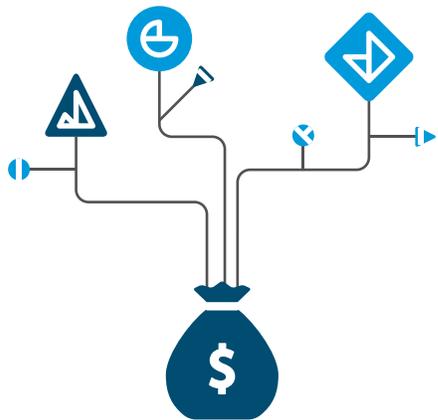
in funds for private equity vehicles

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, Sheryl 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

Gender diversity in the workplace:

↑ 44%
Increase net revenue³

↑ 15%
Higher profitability⁴



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

- 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.
- The **Bloomberg Gender-Equality Index (GEI)** tracks the financial performance of leading companies in order to fortify the business case for diversity.

THE POWER OF WOMEN'S MARKETS WILL CONTINUE TO GROW

For 2025 women are forecasted to control **75%** consumer spending⁵

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 :

www.idbinvest.org/genderlensinvesting