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
  - 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 strategies

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

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 growth:

- **US$5 BILLION**
  - For women micro businesses

- **US$93 BILLION**
  - For women SMEs

Gender diversity in the workplace:

- **44%**
  - Increase net revenue\(^3\)

- **15%**
  - Higher profitability\(^4\)

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 spending\(^5\)


TO LEARN MORE:
www.idbinvest.org/genderlensinvesting