

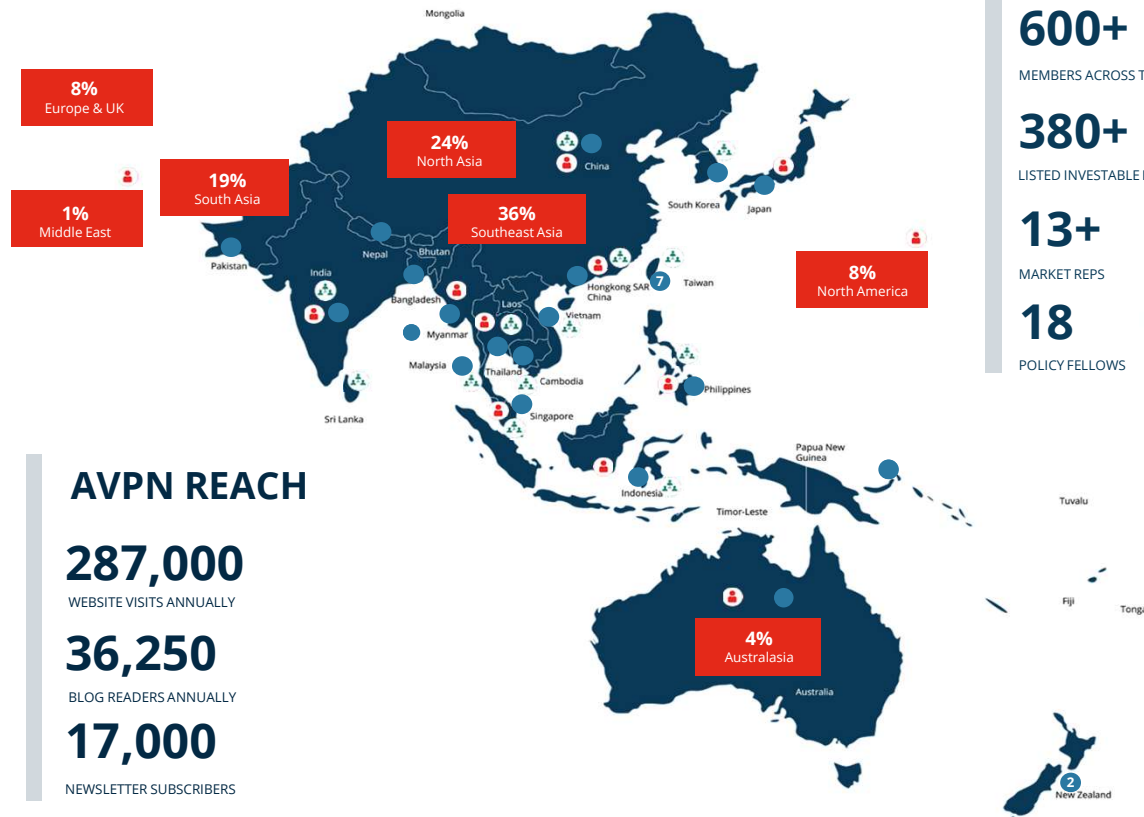


GENDER LENS INVESTING IN ASIA

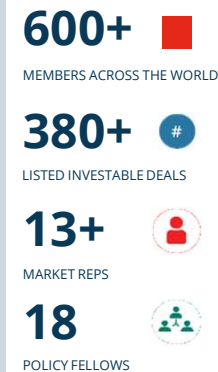


18 May 2021

THE AVPN NETWORK



AVPN DIVERSITY



With over 600 members across 34 markets, AVPN is catalysing the movement towards a more strategic, collaborative and outcome focused approach to social investing, ensuring that resources are deployed as effectively as possible to address key social challenges facing Asia today and in the future.

WHAT IS GENDER LENS INVESTING?

DEFINING THE TERM

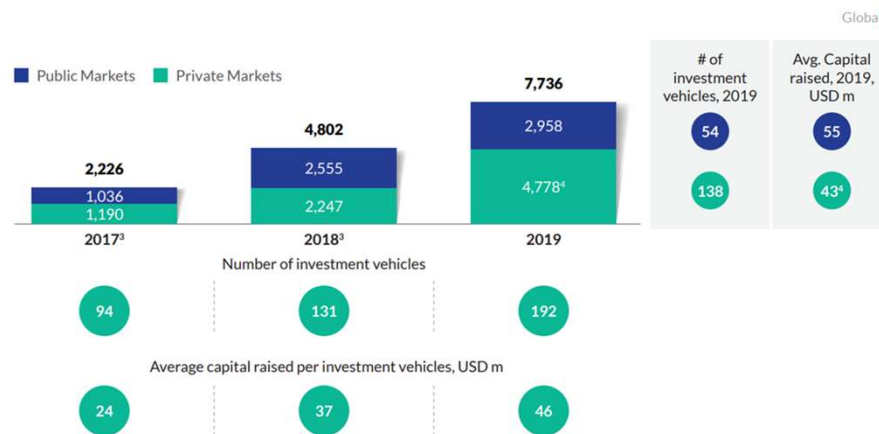
Investing with the intent to address gender issues or promote gender equity

- 1** Investing in women-owned or -led enterprises
- 2** Investing in enterprises that promote workplace equity
- 3** Investing in enterprises that offer products or services that substantially improve the lives of women and girls

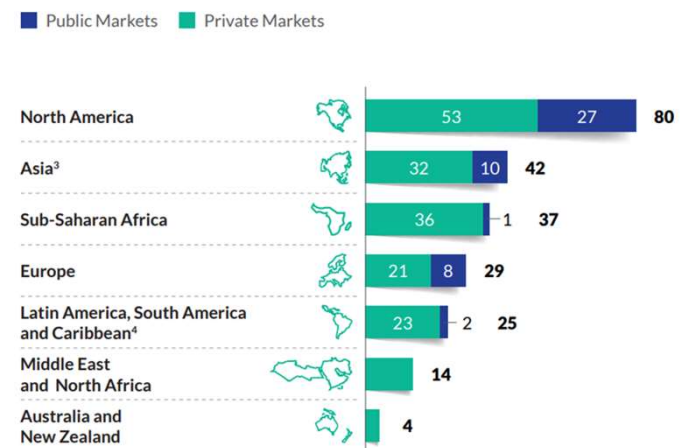
TRENDS IN GLI

GLI AS A STRATEGY HAS BEEN GROWING IN STRENGTH

Exhibit 1.1: The total size of GLI vehicles in 2019 is USD 7.7bn. It has increased by 61% from 2018
Global size of Gender Lens Investing, Assets Under Management (AUM), USD m^{1,2}



Number of investment vehicles targeting investments in each geography^{1,2}



Asia is the second largest market in the world.

WHY INVEST IN WOMEN?

PRE-PANDEMIC CONTEXT

Across the world, countries are losing a combined \$160 trillion in wealth because of differences in lifetime earnings between women and men. *World Bank Group*



With just 11 years to go until 2030, nearly 40% of the world's women and girls—1.4 billion—live in countries failing on gender equality. *SDG Index*

WHY INVEST IN WOMEN?

REBUILDING POST-PANDEMIC



Economies will be slower to recover without women in the workforce



Women-led businesses are an investment in economic resilience



Women continue to be dominant purchasers of essential goods and services

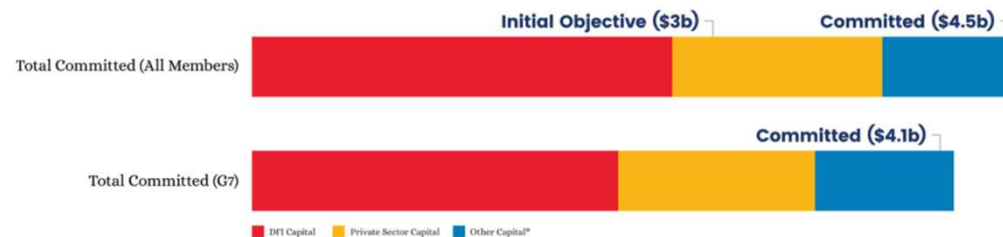
Addressing gender issues addresses several SDGs



2XCHALLENGE

PLATFORM TO MOBILISE PRIVATE ASSETS

It is a call from the G7 asking DFIs and others to join together to collectively mobilize *\$3 billion* in commitments.



*Other capital includes contributions from governments, foundations, DFIs that are not part of the 2X Challenge, and other non-private sector sources.

Goal. Provide women in developing country markets with improved access to leadership opportunities, quality employment, finance, enterprise support and products and services that enhance economic participation and access.

BUSINESS CASE FOR GLI

SELECT EVIDENCE TO DATE

Gender-balanced leadership teams have outperformed with regard to both returns and valuation.



Return on Equity

Companies with gender-diverse boards generate a higher return on equity than those without



Share Price

Companies with gender-diverse boards outperform those with no women in terms of share price performance during times of crisis or volatility



Performance

High-performing companies are almost 50% more likely than low-performing companies to report that men and women have equal influence on strategy development



Growth Rate

Investors in companies with strong gender diversity strategies receive excess returns running at a compound annual growth rate of 3.5%

THE ROLE OF INVESTORS



1. **Investing in listed funds and firms** that are outperformers on gender equity to drive capital to the better actors and demonstrate that this has value to investors
2. **Engaging in the boardroom.** Investing in structured vehicles in public markets that play an active shareholder engagement role to shift corporate behavior
3. **Investing in private equity, venture capital, and private debt funds** that get capital to women and gender-diverse fund managers and to underlying portfolio companies that demonstrate gender equity or a commitment to gender equity
4. **Seed funding new vehicles** that address issues that disproportionately affect women as leaders, innovators, workers, customers, and supply chain and distribution channel actors
5. **Require funds and investment managers to address gender dynamics** by shifting their processes, teams, and structures and use better data and analysis to make better investment decisions, mitigate risk, and increase opportunity sets

WHAT ARE SOME CHALLENGES?



Insufficient benchmark data around returns and impact



Insufficient numbers of women in leadership positions



Burdensome reporting and measurement requirements



Building trust between investor and investee



AVPN MEMBER ENGAGEMENT WITH GENDER

67% of our members are committed to supporting women and girls

- Almost equal proportion deploying capital through grants (40%) as through equity & debt (36%)
- 2 in 5 are interested in scaling GLI engagement
- 23% already integrating a gender lens when conducting impact measurement
- Only 14% currently integrate a gender lens at the point of investment structuring and project design



INNOVATIVE FUNDING APPROACHES



- Launched in March 2019
- Reduce the credit gap for women-led Small Growing Businesses in Indonesia
- Offers flexible, commercially priced, debt products for women entrepreneurs in Indonesia
- Loan sizes for the proof of concept phase range between USD \$15,000 and \$75,000.



INNOVATIVE FUNDING APPROACHES



Yellow Dog Empowers
Fund and Yellow Dog
Leaps Fund

- 1st fund raised by 2018
- Strategic partners include: large South Korean corporations with primarily female end-customers, as well as high net worth individuals (HNIs) in South Korea
- Extends beyond South Korea to SE Asia



GENDER-LINKED IMPACT BONDS



Women's Livelihood Bond Series

- US\$150M bond series empowering one million underserved women in Asia with sustainable livelihoods.
- Partners with public and private sector for amplified impact, including USAID, UNESCAP, Australian Government DFAT, DBS Bank, and Rockefeller Foundation.
- Women's Catalyst Fund to provide first loss support to unlock private investors capital into financing that benefits.

PARTNERSHIPS THAT STRENGTHEN THE GLI ECOSYSTEM IN ASIA

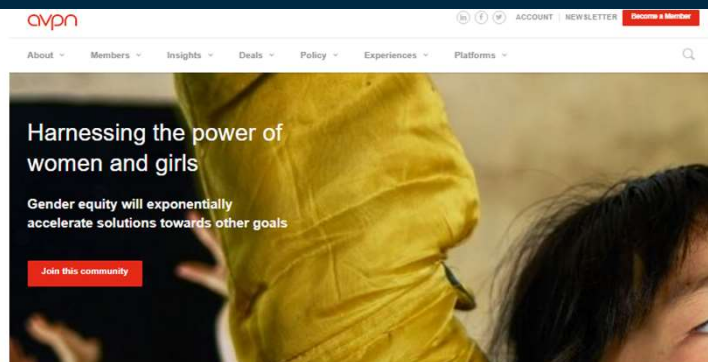


Indonesia Women
Empowerment
Fund (IWEF)

- Collaboration between Moonshot Ventures and YCAB Ventures
- IWEF seeks to address the underlying systemic causes, such as the lack of access to capital by women entrepreneurs
- Invests in solutions that address systemic barriers in women's livelihoods



FOR MORE INFORMATION



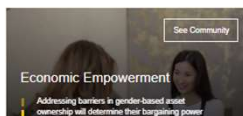
Connect

Find the right partners to scale impact

Leverage the Gender Ecosystem

Want to join the ecosystem or partner with a member?

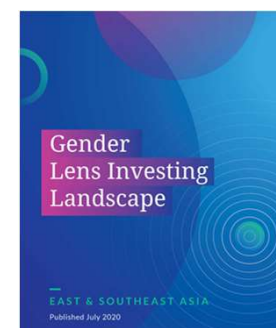
Connect with us



Go to: <https://avpn.asia/gender-platform>



Go to:
<https://thegiin.org/research/publication/impact-survey-2020>



Go to:
<https://www.spf.org/en/gender/publications/gliasielandscap.html>



Go to:
<https://www.mastercard.com/news/research-reports/2020/mastercard-index-of-women-entrepreneurs/>

WHAT'S NEXT

Strengthening the leadership potential in Asia for GLI

Gender-Lens Investing Fellowship

In partnership with

INVESTING IN WOMEN
SMARTECONOMICS
AN INITIATIVE OF THE AUSTRALIAN GOVERNMENT

SASF SASAKAWA
PEACE
FOUNDATION

A 6-month fellowship programme for wealth owners and capital allocators who are keen to enhance their understanding, build their network, scale their impact, and ultimately commit capital.

Launch: July 2021

Gender-related Learning Content

avpn
ACADEMY

A learning journey for philanthropists looking to grow their impact in improving outcomes for women and girls.

Launch: Dec 2021

Asia Gender Network



A network committed to mobilising financial, human and intellectual capital towards gender equality.

Through knowledge sharing and collective action; building on a uniquely Asian perspective, rooted in regional expertise and locally relevant solutions.



For more information visit us at
www.avpn.asia

For any questions please contact
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