

# Investing in Women Southeast Asia

Case Study Series: Capital 4  
Development Partners  
("C4D Partners")

October 2019

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## Introduction

Since 2016, Investing in Women (“IW”), an Australian Government initiative has played a crucial role in expanding access and mobilizing capital to women owned and/or led small and medium enterprises (“women’s SMEs”) in Southeast Asia, through the implementation of Outcome Pathway 2 (“P2”), a program which aims to increase impact investments in women’s SMEs. A key objective of P2 is women’s economic empowerment and addressing the significant funding gap faced by women’s SMEs in the region.

IW defines women’s SMEs as businesses which i) employ 10 – 300 full-time staff, ii) have total assets of USD100k - USD15m; and iii) generate total annual sales of USD100k - USD1.5m with the following characteristics:

- a. At least 51% of the entity is owned by one or more women (prior to any investment and excluding any institutional stakeholders) or
- b. All of the following:
  - i. At least 20% of the entity is owned by one or more women (prior to any investment and excluding any institutional stakeholders)
  - ii. The entity has at least 1 woman as CEO/COO (President/Vice President) or equivalent level (within 100 days of the investment) and
  - iii. At least 30% of the Board of Directors (or similar governance group) being women (within 100 days of the investment) where a formal board exists.

To mobilise capital towards women’s SMEs and build a case for gender lens investing (i.e. the incorporation of gender as a category of analysis in investment decisions), IW is incentivising investment managers to adopt a gender lens mandate via its blended finance approach. To date, IW’s blended finance approach has incentivised and promoted the establishment and / or broadening of four new women’s SME focussed fund partnerships within the region. This approach has to date achieved approximately 2.8x leverage of IW’s capital that is now being invested, totalling investment of approximately AUD18.8m.

This case study is part of a series of case studies detailing IW’s blended finance structures, achievements and key learnings of IW and the four investment vehicles established with reputable global impact investors being (Capital 4 Development Partners (“C4D Partners”), Patamar Capital, Root Capital and Small Enterprise Assistance Fund (“SEAF”). This document provides an overview, progress to date and key learnings of IW’s partnership with C4D Partners which recently made its first close of its USD30m C4D Asia Fund (the “Fund”) in December 2018.

Established in 2013, C4D Partners is an initiative of Interchurch Organisation for Development Cooperation (“ICCO”), a global, leading non-governmental organisation with over 50 years of development finance experience. Following a management buyout in 2018, C4D Partners now operates as an independent global impact investment manager.

IW invested in the recently closed C4D Partners Asia Fund via an incentivised performance-based grant. The proceeds from the Fund will be used to invest in growing SMEs in Asia with a clear social impact on improving the livelihoods of marginalized communities. Due to IW’s involvement, C4D Partners’ Asia Fund has an explicit gender target, whereby a minimum 30% of the Fund will be dedicated to providing capital to women’s SMEs. For more information on C4D Partners please refer to <https://www.c4dpartners.com>.

With a target total fund size of USD40 - 50m, IW’s incentivised grant is expected to achieve a leverage of 3 - 5x. Furthermore, given C4D Partners’ focus on debt financing allows for recycling of funds (upon repayment), the additional on-lending over time, is expected to significantly multiply this existing leverage position.

C4D Partners as part of its partnership with IW will:

1. Invest debt, equity and mezzanine in women’s SMEs and direct additional capital towards the women’s SMEs
2. Integrate gender lens into its internal activities and investment decision making process through the development and implementation of a Gender Lens Investing Action Plan (“GLAP”) and
3. Provide a needs-based, client driven business development support to SMEs by a separately structured and financed initiative, Portfolio Support Program Asia.

The partnership with C4D Partners complements the capital instruments deployed by IW’s other impact investment partners who focus on debt, mezzanine and equity financing.

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IW’s performance-based grant acts as catalytic capital to mobilise and accelerate capital investment towards women owned and led businesses.

C4D Partners is committed to investing with a gender lens and plans to invest at least 30% of its C4D Asia Fund in women’s SMEs.

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# IW - innovative blended finance structure with C4D Partners

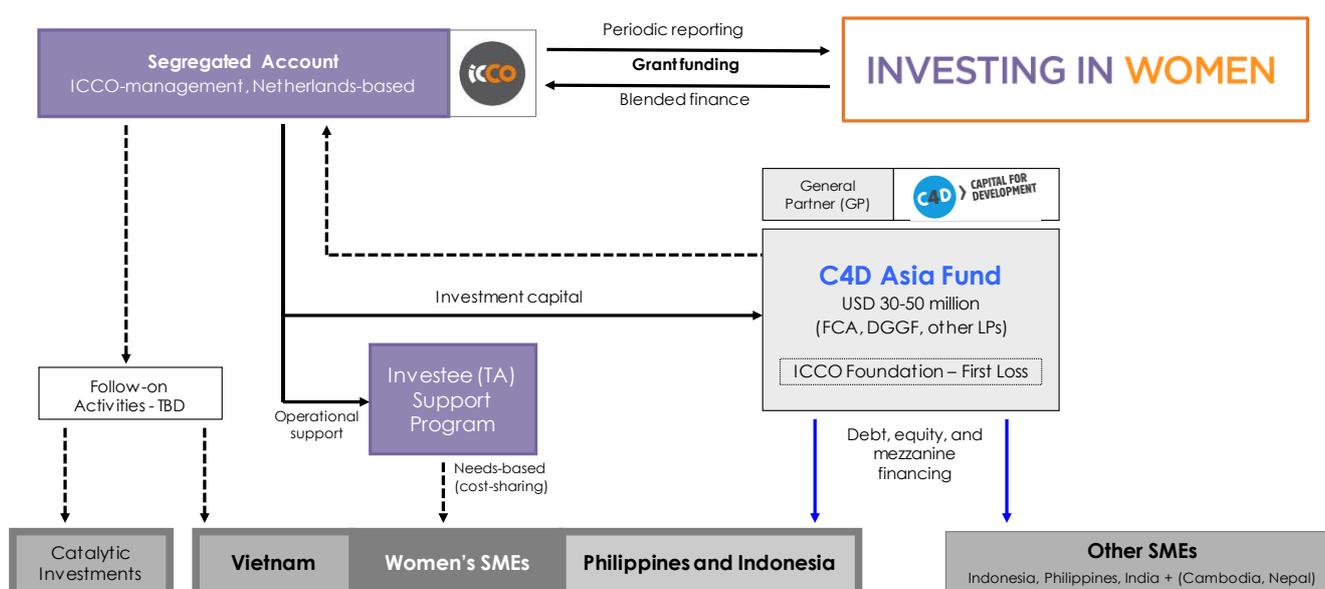
Blended finance is defined by OECD as “the strategic use of development finance for the mobilisation of additional finance towards sustainable development in developing countries”<sup>1</sup>.

To reduce the funding gap to women’s SMEs and mobilise capital flow to women’s SMEs, IW has established four different blended finance structures with each of its impact investing partners via the provision of a performance-based grant.

This unique blended finance approach is the first of its kind in Southeast Asia which mobilises as well as accelerates capital flow to women’s SMEs (by providing both direct investment as well as operational support to its impact investment partners).

IW’s unique blended finance structure aims to incentivise, through financial and operational support, impact investors such as C4D Partners to focus their services on women’s SMEs, thereby having a positive impact on women’s economic empowerment.

Presented below is schematic overview of IW’s blended finance structure with C4D Partners followed by a summary description of the key structural components<sup>2</sup>:



**IW grant funding:** IW has invested ~AUD4.26m of performance-based grant into C4D’s Asia Fund for the purposes of providing debt and mezzanine capital to women’s SMEs and supporting C4D with its operational expenses as follows:

Use of Funds	AUD
a. Investment Financing	4,110,000
b. Operational Support	150,000
<b>Total IW Funding USD3m</b>	<b>4,260,000</b>

**Blended finance investment structure and governance:** IW’s performance-based grant is invested as equity into the C4D Asia Fund via ICCO (a Limited Partner of the Fund). Accordingly, IW’s interest and investment requirements (see “IW’s key terms and conditions” herein) are represented by ICCO during the life of the Fund and C4D Partners is required to provide IW with regular reporting on a range of metrics which measure the development impact of its investments (detailed further in the case study).

<sup>1</sup> OECD, “OECD DAC Blended Finance Principles for Unlocking Commercial Finance for the Sustainable Development Goals”, January 2018  
<sup>2</sup> IW, “Request for DFAT Approval of Grant Agreement - ICCO Foundation and the C4D Asia Fund”, June 2018

**C4D Asia Fund:** The Fund structure has two layers. The first layer is provided by ICCO and acts as a first loss for the second layer of capital (thereby providing de-risking features and enhanced, preferred return rate for other blended finance investors)<sup>3</sup>. IW's performance grant along with equity investments from C4D's other partners (see "Fund Structure" herein) will be invested in the second layer.

**Leveraged capital:** in line with IW's objective of mobilising private capital towards women's SMEs, C4D Partners also plans to seek co-investments from other strategic partners such as other impact investors and social lenders and ICCOs affiliated crowd funding platform ("lendahand")<sup>4</sup>. As a result, based on C4D Partners' target Fund size of USD40-50m, IW expects to leverage its women's SME investment from private capital by 3 - 5x.

**Investment and operational support:** As investment manager, C4D Asia Fund will use the capital from the Fund to invest debt, equity and mezzanine and provide operational support to SMEs across IW's Target Countries (Indonesia, Philippines) and eventually Vietnam (but outside the Fund) as well as Cambodia, India and Nepal. As previously noted, the Fund has established a target to invest at least 30% of its investment capital in women's SMEs.

**Incentive structure:** In addition to grant funding, IW also incentivises C4D Partners to invest greater percentage of the Fund in women's SMEs via a "Carry" mechanism which enables the Fund to retain a greater percentage of the profit from its investments (versus distributing 100% to the investors) based on achieving a defined target of women's SME investments.

**Investee Support Program:** C4D Partners will also provide customised needs-based support to investees including coaching, access to additional local and international networks, providing small financial grant contributions, and commercial expertise directly or via ICCO.

**Learnings:** C4D Partners' partnership with IW will provide learnings pertaining to participation in pooled investment funds and the ability to influence such funds towards applying gender lens to help inform future investment decisions by IW, related stakeholders, and the wider investment community.

## IW key terms and conditions

Presented below are key terms and conditions the Fund must comply with as part of its partnership with IW<sup>5</sup>:

Target Investment	Minimum 30% investment in women's SMEs.
Target Countries	Sufficient investment in IW's Target Countries (Indonesia and the Philippines), India - with legacy deals in Cambodia and Nepal. IW reflows to ICCO will be directed to Vietnam, as a priority.
Investment Instrument	Equity in India and debt and mezzanine in other countries.
Responsible Investments	Fund must have regard to Principles of Responsible Investments, UN Global Compact and Environmental, Health, and Safety Guidelines of the International Finance Corporations.
Periodic reporting	Provide quarterly reporting on the Fund's performance.
Investment restrictions	Restrict investments into IFC's Environmental and Social Exclusion List.
Return incentive compensation ("Carry")	Target minimum IRR of 10% to 30% per portfolio company. Mechanism which enables C4D Partners to retain part of profit from the investments based on the Fund achieving a defined target of women's SME outreach. The greater the percentage of the Fund invested in women's SMEs, the greater the "Carry".

<sup>3</sup> IW, "Schedule 3 - Project Description and Budget (ICCO Foundation) - Executive Version", June 2018

<sup>4</sup> IW, "Request for DFAT Approval of Grant Agreement - ICCO Foundation and the C4D Asia Fund", June 2018

<sup>5</sup> IW, "Request for DFAT Approval of Grant Agreement - ICCO Foundation and the C4D Asia Fund", June 2018

## C4D Asia Fund

The C4D Asia Fund will maintain the existing 21 legacy investments from ICCO Foundation's core financing and plans to expand this portfolio into a diversified portfolio of 35-40 additional investments. With the current USD30m from the C4D Asia Fund, a maximum of USD15m is anticipated to be directed to Indonesia and Philippines which represents a significant increase of IW's grant funding into those countries.

Presented below is an overview of some of the key features of the C4D Asia Fund<sup>6</sup>:

Terms	C4D Asia Fund
Fund Size	USD30m / target fund of USD50m.
IW Grant	USD3m (AUD4.26m)
Leverage	IW Grant target Leverage: $\geq 3:1$ across the Fund (2:1 across Indonesia and Philippines).
Investors	IW, ICCO, Dutch Good Growth Fund and FCA investments
Fund Tenor	10 years
Investee companies	SMEs in India, Indonesia, Philippines, Cambodia and Nepal. Investment in women's SMEs to comprise at least 30% of the Fund.
Investment instrument	Equity instruments in India. Debt and mezzanine instruments in the other countries.
Investment ticket	USD200k - USD4.0m in India / USD200k - USD2m in other countries
Target Return	For equity: 25% For mezzanine: 14% - 18%
Social impact focus	SMEs that address and solve local challenges and / or industry inefficiencies. Integrate gender lens in investment strategy to support women's economic empowerment.
Portfolio Support Program	Provide technical assistance in the areas of sales / impact measurement, analysis, communication / quality control and HR management. The Fund's investment strategy and outcomes are strengthened by C4D Partners' separately structured and financed Portfolio Support Program Asia which provides client-driven business development support (BDS) to SMEs.



<sup>6</sup> IW, "Request for DFAT Approval of Grant Agreement - ICCO Foundation and the C4D Asia Fund", June 2018

## Investment activity to date

Having recently completed the initial USD30m fund raising in December 2018, C4D Partners is currently well positioned to add new investments to its investment portfolio. Post-closing the Fund, C4D Partners has already invested additional growth capital to the following two women's SMEs i) Saahas Zero Waste Management Private Ltd ("Saahas") and ii) PT Green Enterprises Indonesia ("GEI"). A brief overview of these two transactions is provided below:

### Green Enterprises Indonesia (GEI)

Established in 2016, GEI is an Indonesian based producer of high-quality organic cold-pressed virgin coconut oil and other organic coconut products for domestic and international markets. GEI sources coconuts from its own sustainably managed leased land and small holder farmers on the island of Sumatra.

#### Investment purpose

- ▶ Growth capital expenditure financing to help the company build a new processing facility.

#### Investment instrument

- ▶ USD235k in mezzanine debt finance (pricing includes a variable revenue share component).

#### Impact objective

- ▶ By creating a sustainable and organic value chain for coconuts, GEI empowers local communities with sustainable livelihoods and increased skills in organically cultivating their existing natural resources.
- ▶ In addition, there is significant impact in job creation. With very little economic activity on the island, youth typically leave the island to look for work and very often end up in poor conditions due to lack of education and limited jobs available. GEI expects to grow to 140 employees over the next 5 years and sourcing from 650 farmers on the island.



### Saahas

Established in 2013 and headquartered in Bangalore, Saahas is one of the pioneers in the professional waste management services industry and works closely with municipal corporation and government bodies to develop community waste management programs and increase awareness and compliance in the community.

#### Investment purpose

- ▶ To support the company with replicating its hub and spoke model to other cities (Chennai, Hyderabad) in India.
- ▶ To provide growth capital expenditure financing for material recovery facilities, new technology, marketing as well as hiring personnel to build the senior management team.

#### Investment instrument

- ▶ ~USD564k via compulsory convertible preference shares. Initial investment of ~USD274k and subsequent investment from the C4D Asia Fund of USD290k.

#### Impact objective:

- ▶ Total tonnage of waste handled in next five years of 366,986 tons.
- ▶ Total jobs creation over the next five years of 2600.



# Gender Lens Action Plan

As part of its partnership with IW, C4D Partners is seeking to create deeper impact on gender equality and women's economic empowerment by designing and implementing a GLAP. The purpose of the GLAP is to enable C4D Partners to determinedly integrate gender into its internal activities and investment decisions.

C4D Partner's GLAP is based on the following three approaches:

- ▶ Consciously capitalising women's SMEs to push for greater social impact by committing to invest at least 30% of the Fund in women's SMEs
- ▶ Crystallising investment opportunities and risks by incorporating a gender lens in C4D Partners' investment processes and
- ▶ Sparking conversations within internal teams and with portfolio partners to move towards gender inclusion and equity.

Consistent with the above, the following are some of C4D Partners' gender lens investing initiatives:

## Fundraising process

C4D Partners' recent capital raising process was supported by IW's grant (which was invested in C4D Partners as co-investment capital with ICCO) and ICCO's first loss equity. C4D Partners' gender lens approach provides opportunities to the increasing pool of investors who are interested in including gender in their portfolio, thereby creating a positive net impact for its investors.

## Pipeline development

C4D Partners has developed a solid pipeline and identified women's SME financing opportunities by leveraging its network such as the Asia Impact Investment Exchange and through its participation in various competitions /events in the region.

## Women's SME investment fund target

C4D Partners seeks to support women's SMEs by encouraging gender balanced business strategies, including women in supply chains and staffing and by investing at least 30% of its capital in women's SMEs.

## Investment process and criteria

C4D Partners is conducting a full review of its investment process to incorporate gender analyses.

## Reducing gender bias

To reduce gender bias in its investment process and enhance the quality of its portfolio, C4D Partners engages its entire team, including its Investment

Committee, as part of its gender lens approach and strategy discussions.

## Creating decent and sustainable jobs

The investment mandate targets investing in businesses which provide employees with new skills and stable income to enable them to improve their living conditions. It also entails creating equitable workplaces, fair pay and incorporating other levers to recognize the needs of both male and female employees.

## Create portfolio gender awareness

C4D Partners seeks to engage with portfolio companies regarding gender equity during the due diligence process and quarterly/annual visits. C4D Partners also plans to incorporate ESG / tax approach by selecting 10 key questions (such as equity pay, etc.) for companies to confirm 'compliance'.

## Leveraging the IW grant to create scale

C4D Partners pools IW's grant into a larger pool investment fund (USD30 - USD50m) thus creating means for IW to immediately influence the investment Fund to integrate gender into its investment decisions and achieve scale by creating immediate leverage of additional non-IW funds being invested in women's SMEs.

## Technical assistance

C4D Partners will also provide customised needs-based support to investees including coaching, access to additional local and international networks, providing small financial grant contributions, and commercial expertise directly or via ICCO.

## Financial and activity reporting

C4D Partners will report on the development impact of its investments including reporting on a) the depth and reach of impact and financial performance of the portfolio companies), b) status of implementation of the Gender Lens Investing Action Plan and progress towards Gender Lens Investing, c) private sector leverage and d) grant expenditure to IW.

By implementing its GLAP and managing its investments in women's SMEs, C4D Partners will contribute towards establishing a sound knowledge base for gender lens investing in Southeast Asia.

## C4D Partners Gender Lens investing - Key learnings to date

Presented below are key learnings shared by C4D Partners based on their gender lens investing journey to date:

### C4D Partners

- ▶ C4D Partners have learned that deliberate changes in the firm's investment processes deliver results including enabling the firm to have strong and transparent relations with mixed gender teams during the due diligence visits. C4D Partners' investment team initially began with a team of four men. The investment team has since been expanded with the addition of five women and two men to the original team, and the firm's interactions with investee companies have positively changed as a result.
- ▶ Furthermore, applying a gender lens to C4D Partners' investment thesis has further developed the firm's commitment to bring positive social, environmental and economic change in the lives of the underserved populations by i) financing underserved SMEs and women's SMEs and ii) through C4D Partners' portfolio companies who operate not only in the financing sector, but also in the agriculture, healthcare, and education sectors. One of the key areas C4D Partners considers (including prior to engaging with IW) is the power relationships at play in supply chains and aims to address inequalities and inefficiencies. For instance, within underserved communities in the agricultural sector, women are even more vulnerable as they are positioned in unacknowledged roles and are often excluded from gaining the more profitable portions of the value chain. Applying a gender lens provides C4D Partners with a framework to ask deeper, more qualitative questions and ensure that such imbalances are consciously checked.
- ▶ Over the recent months, C4D Partners have also had an opportunity to review the financial instruments at the disposal of C4D Partners and clarify how these instruments could address different types of businesses. For example, in Southeast Asia, C4D Partners has found that its hybrid debt instrument is a fit for many businesses whose return profiles are different from common Venture Capital and Private Equity investees where growth is rooted on long term, sustainable margins versus hyper growth. C4D Partners have found that many SMEs and businesses where women are more often involved fit this return profile.
- ▶ C4D Partners recognises that gender lens investing is a continuous process towards improvement. C4D Partners is a believer that its small steps will lead the firm to greater milestones. While the firm acknowledges that inequities cannot be changed overnight, C4D Partners and its portfolio companies have affirmed their commitment to working towards an improved ecosystem where underserved communities and women in particular are economically empowered.



## IW's key insights on gender lens investing

IW's Monitoring, Evaluation and Learning ("MEL") unit has identified a number of key learnings from IW's Phase 1 of gender lens investing work to date<sup>7 8</sup>. Consistent with IW's knowledge sharing agenda, to assist with enhancing gender equality and women's economic empowerment work undertaken by other market participants, presented below is a summary of four key learnings identified by IW as follows:

### Deliberate approach to Gender Lens Investing

IW's research has found that since 2007, private impact investors have invested USD43.3m in the Target Countries, of which ~90% of capital invested using gender lens targeted microfinance institutions, and less than 5% was intentionally directed to women's SMEs. The minimal portion of capital being intentionally directed with a gender lens highlights the need for a deliberate approach to gender lens investing including the measurement of such investments in order to a) build a case for gender lens investing and b) counter adverse misconceptions in the market which are limiting the flow of capital to women and women's SMEs.

One deliberate approach undertaken by IW and IW's Impact Investment Partners is the implementation, execution and monitoring of a GLAP (as outlined previously herein) which entails varying degrees of organizational change.

### Technical support for investee companies

In addition to making direct capital investment in women's SME's, one of the key value adds of IW's Impact Investing Partners is their ability to provide specialised needs based technical support to investee companies, as well as potential investees which may require this support to meet the impact investors' lending/investing guidelines. IW recognises that post-investment support and strategic partnerships with portfolio companies are crucial to value creation for investor/investee with many entrepreneurs requiring support with building business/professional capabilities.

### Local investment networks

IW considers local presence to be a key success factor in helping investors develop networks, business relationships, and transaction pipelines. In recognition of this fact and to increase IW's focus on localised investment support (in this case mobilise Asian capital towards women's SMEs), IW intends to

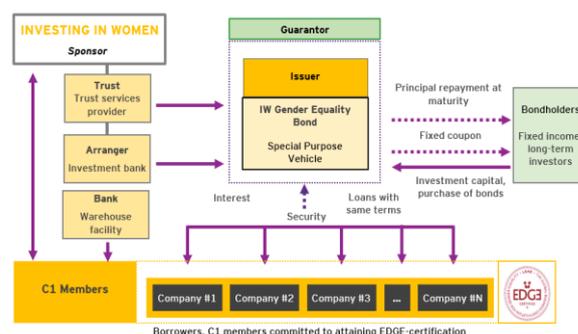
partner with local investor networks in Phase 2 of the program (2019-2023).

### Tailoring blended finance models at scale

IW's Impact Investing Partners collectively invest across the capital spectrum (from debt to equity) and offer a variety of debt, equity, and mezzanine instruments. To expand the types of financial instruments available to women's SMEs, IW also intends to partner with organizations offering more financing options (such as receivables and trade financing, non-collateralized lending, perpetual investment funds, crowd source funding etc.). By partnering with Impact Investment Partners which provide a variety of funding solutions to women's SME's, IW contributes to the expansion of volume and types of capital available to women's SMEs thereby also providing learnings on which types of financial instruments may potentially better suit women's SMEs in IW's Target Countries.

In addition to IW's work on P2, IW also worked with EY to explore the establishment of Gender Bond to improve workplace gender equality practices by providing value to IW's corporate partner members in the form of lower funding costs (or other funding advantages), a benefit which is subject to the corporate partners achieving independent gender equality accreditation (EDGE) to be eligible.

Given the diverse set of IW's corporate members with disparate credit profiles and sector focus, to reduce the complexity, EY recommended the establishment of an aggregated gender bond structure. The proposed structure involves the establishment of a special purpose vehicle which aggregates the borrowing requirements of IW's EDGE Certified corporate partners and acts as the conduit which accesses the debt capital markets to obtain optimal pricing and tenor on behalf of the corporate members. Below is a schematic overview of the proposed aggregated gender bond structure.



<sup>7</sup> IW, "Overview and Lessons Learned - Outcome Pathway 2: Impact Investment for Women's SMEs", June 2018

<sup>8</sup> IW, "Impact Investing: Component 2 Mid Phase 1 | Monitoring, Evaluation and Learning Report", June 2018

# EY insights on gender lens investing

## EY commitment to Gender Equality

At EY, we are committed to empowering and advancing women throughout our ranks into leadership positions and have also successfully retained the accolade of Workplace Gender Equality Agency (“WGEA”) Employer of Choice for Gender Equality for the past 15 years.

Given our commitment to gender equality, we are proud of our role and continued work with IW and are pleased to share some of our institutional learnings around four core principles which highlight the significance of gender lens investing, in the context of the wealth and asset management industry<sup>9</sup> (please see below) and workplace gender equality more broadly.

## Understanding the power of women as an investor class

The CFA Institute has projected women’s global income to increase to USD18 trillion by 2021, exceeding the combined GDP growth of China and India during the same period<sup>10</sup>. To accommodate this growth, it makes business sense for wealth and asset managers to adapt their approaches accordingly with unique goals, strategies and needs through tailored products and services.

## Increasing women’s leadership and representation

Finance focussed on gender can facilitate positive change and generate strong returns. For example the Women’s Equity Fund launched in 1993 as one of the first public market mutual funds focused on pairing gender lens investing strategies with strong financial returns<sup>11</sup>. The fund’s main positive screens for investment have paved the foundation for gender equality criteria such as i) active advancement of women to top executive positions; and ii) female representation on the board of directors and in senior management to increase women’s representation in leadership roles.

## Improving the quality of employment opportunities for women

Beyond senior leadership, a complete picture of the growing female workforce is important for building gender-conscious investment strategies. As of 2017, women accounted for 45.4% of the global workforce<sup>12</sup>. As the operational impact of gender lens investing grows, so does the need for better-defined due diligence questions from gender lens investors – e.g. how many women are in the pipeline to take up leadership roles ?

## Diversifying products to positively impact gender equality

There are a vast range of products and industries that investors can use to positively impact gender balance. Gender lens investing can begin to distinguish itself across an extensive range of investment criteria and industry sectors through public and private market products. Current gender lens investing products include debt funds, mutual funds, exchange-traded funds, separately managed accounts, proprietary strategies and private equity funds. The range of product options is constantly expanding in response to investor needs and demands.

Gender lens investing products are most prevalent in the following industries: technology, health care, clean tech, and environmental. These diversified products and industries are supported by considerations for women’s leadership, services and capital for women, and enhanced gender equity criteria, such as health care policies, educational services, and pay gaps – thus forming the foundation of gender lens investing.

In addition to the above GLI principles, EY and UN Women’s Global Innovation Coalition for Change (GICC) also co-created innovation principles to help companies foster greater innovation by identifying specific improvements to accelerate gender equality.

The principles are designed to help companies deliver the UN Sustainable Development Goals to reduce inequality and foster innovation, and improve female representation across the management level, as well as build a more inclusive society. For details of the innovation principles, please refer to [www.ey.com](http://www.ey.com).



<sup>9</sup> McCarthy, Seelan and Smith, “Gender lens investing: More than women on the board”, March 2019

<sup>10</sup> EY, “Harnessing the power of women investors in wealth management”, 2016

<sup>11</sup> Business Wire, “Pax World Acquires Women’s Equity Fund”, October 2007

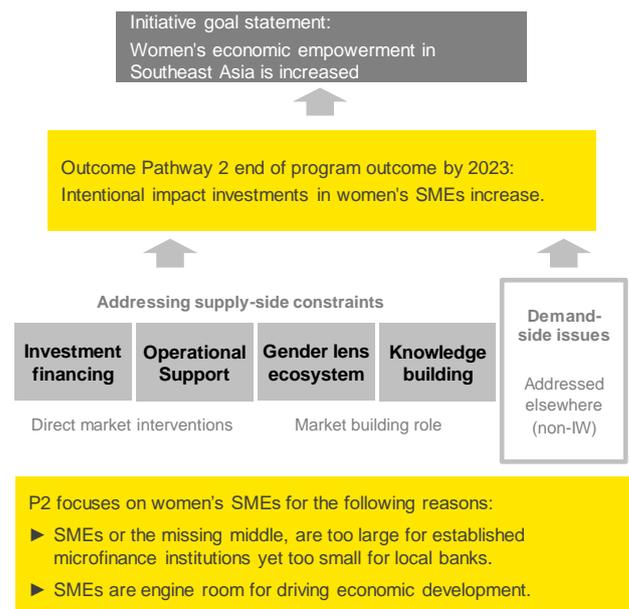
<sup>12</sup> Pew Research Center, “In many countries, at least four-in-ten in the labor force are women”, 2017

# Investing in women's achievements to date

IW plays a crucial role in expanding access and mobilizing capital to women's SMEs in Southeast Asia by promoting women and gender lens investing in the impact investing space.

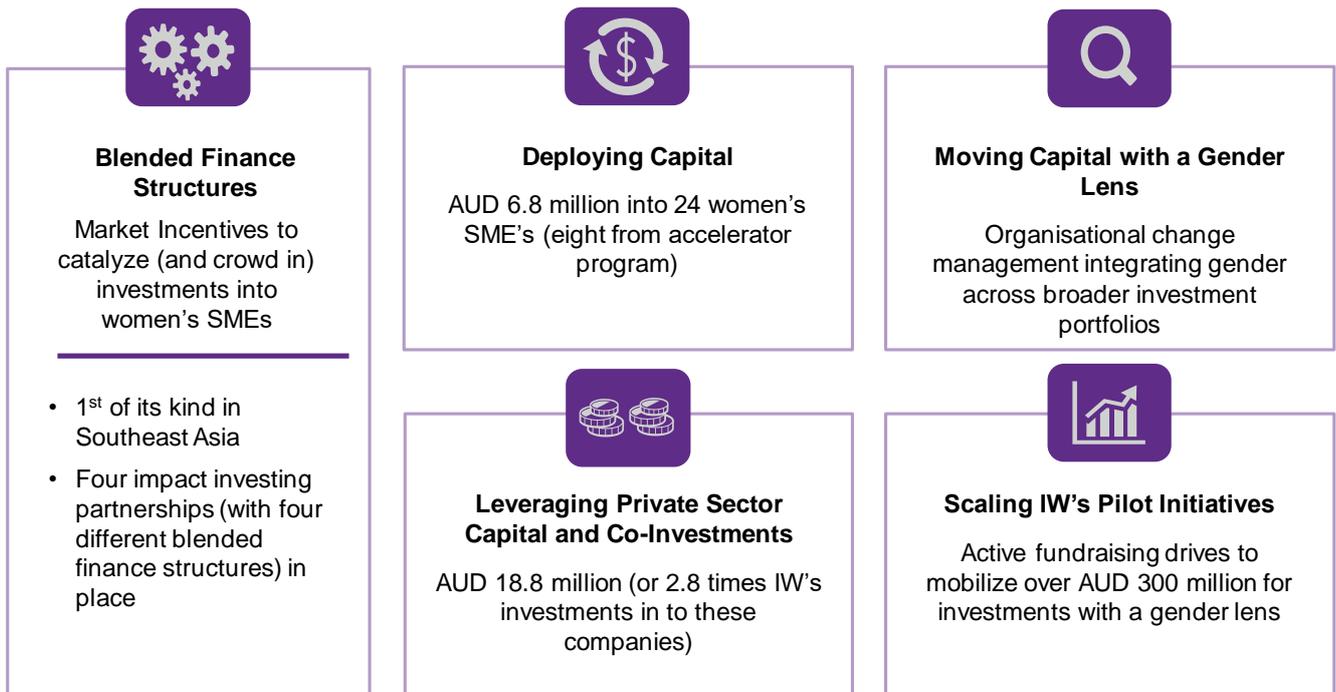
To incentivise and catalyse investments into women's SMEs, IW's P2 focuses on the supply-side constraints of capital by either (i) intervening directly in the market to support impact investors with blended finance instruments or (ii) performing a market building role and advocating with the broader impact investing industry to deploy capital with a gender lens.

As part of P2, IW has formed strategic collaborations with four reputable global impact investors who have deep and growing roots in the region: C4D Partners, Patamar Capital, Root Capital, and SEAF (via the provision of performance-based grants (please refer to the "IW - innovative blended finance structure with C4D Partners" section herein).



## Achievements to date:

As a result of these partnerships, IW has accomplished a number of important achievements in the areas of i) developing the Southeast Asia blended finance market, ii) deploying capital to women's SMEs, iii) moving capital with a gender lens, iv) leveraging private sector capital towards women's SME investments and v) scaling IW's initiatives. A summary of IW's key Phase 1 achievements to date are presented in the diagram below:



**Mobilising further capital to women's SMEs:** In the coming years, IW will continue to expand its support to new partners, including angel investors and localised funds in order to strengthen the financial ecosystem, help bridge the funding gap and build the overall case for investing in women's SMEs.

# EY as Advisor to IW

EY plays a critical role as the advisor for IW by undertaking market studies, advising on tender processes, evaluating and recommending impact investing partners, and providing general, strategic and legal advice. EY is also assisting IW in its role as a regional market builder for gender lens investing in Southeast Asia.

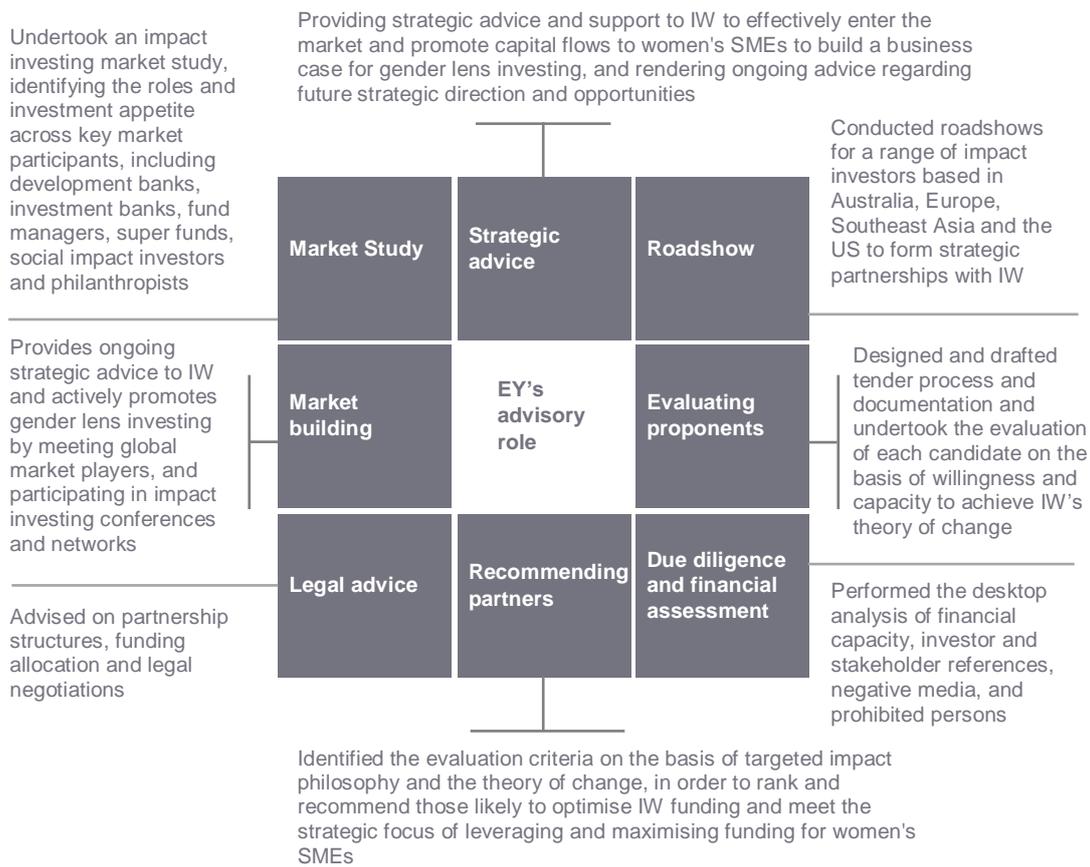
As an organization, EY places gender parity as a key imperative and we are determined to do our part to accelerate women’s progress in the workplace. Our commitment to advancing women throughout our ranks and into leadership positions has contributed to our reputation as one of Fortune magazine’s 100 Best Companies to Work For in the US.

In addition, we are ranked among the top 10 on the 2018 Working Mother 100 Best Companies list in the US, making it the 12th year in a row and our 21st appearance on the list.

We have also successfully retained the accolade of Workplace Gender Equality Agency (“WGEA”) Employer of Choice for Gender Equality for the past 15 years.

Given our commitment to gender, we are proud of our role and continued work with IW.

Presented below is an overview of EY’s business relationship with IW to date:



EY looks forward to continuing its work with IW and supporting IW as it continues to expand its partnerships with impact investors, directs blended finance towards women’s SMEs and builds the overall case for gender lens investing

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