House of Commons

Women and Equalities Committee

Oral evidence: Female entrepreneurship, HC 711

Wednesday 4 June 2025

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Watch the meeting

Members present: Sarah Owen (Chair); Alex Brewer; David Burton-Sampson; Rosie Duffield; Kirith Entwistle; Natalie Fleet; Christine Jardine; Rebecca Paul; Rachel Taylor.

Questions 93 - 135

Witnesses

I: Sophie Winwood, Co-founder and CEO, unlock VC; Jenny Tooth OBE, Executive Chair, UK Business Angels Association; Alice Albizzati, Co-founder, Revaia; Rupert Lyle, Fund Principal, West Midlands Co-Investment Fund.

Written evidence from witnesses:

Jenny Tooth, UK Business Angel’s Association [FEN0037]

Examination of witnesses

Witnesses: Sophie Winwood, Jenny Tooth, Alice Albizzati and Rupert Lyle.

Chair: Welcome to the Women and Equalities Committee. Today we are looking at female entrepreneurship. This is our third evidence session, and we are going to explore opportunities to see greater investment for female-led businesses and how investors can provide greater support to female entrepreneurs.

Before us we have Sophie Winwood, co-founder and CEO of unlock VC; Rupert Lyle, fund principal at West Midlands Co-Investment Fund; Jenny Tooth OBE, executive chair at UK Business Angels Association; and Alice Albizzati, co-founder of Revaia. Thank you, and welcome to you all. I am going to hand over to Rosie to start.

Q93 **Rosie Duffield:** Thank you, Chair. Rupert, why does such a small proportion of finance from investment firms go to businesses led by women?

Rupert Lyle: How long have we got? Personally, I think the issue is that it all comes down to people, and we do not spend enough time understanding who the founder is. It is all about the business plan; it is all about numbers. But, in actual fact, it is people who make businesses, and female founders have a very different entrepreneurial mentality to men. My view is that men are very focused on status and money, and female founders are very focused on purpose, impact and passion. They do not necessarily sit naturally with what I would say is—we have a structural problem with the venture capital industry in the UK, and it is very focused on the short term. If you have a purpose-based business, it is a lot more difficult to raise funding for that.

Q94 **Rosie Duffield:** That is really interesting; it is not how I expected you to answer. Does that mean that when someone sees a business plan or a proposal, they are automatically assuming they know the sex of the person who is applying, or do those things both go together? Is that an unconscious bias?

Rupert Lyle: No, I don’t think so. If you understand the structure of most VCs in the UK, they raise a 10-year fund. Basically, they have five years to invest it and five years to harvest it. If you are a partner in that VC fund, at about year three, you need to start thinking about raising your next fund. If you are thinking from year three about raising your next fund, and exits and value growth are important in you raising your next fund, you are going to be very focused on businesses that can provide short-term returns. This is why a lot of VCs have focused on B2B and fintech in the UK because it is easy to see how you can scale them quickly, get a return, present it to your next round of investors, and show that you have generated a short-term return from what is a venture capital fund. Venture capital does not really exist in the UK; it is too short.

Q95 **Rosie Duffield:** Does anyone else want to offer an opinion?

Sophie Winwood: I would just make the point that while a lot of female founders focus on less of the high-growth venture-backed businesses, it is not a good thing to say that they all do. I back many female founders through my venture fund who are growing extremely quickly. We are actually co-invested in a company with a solo female founder that is looking to be our fund returner. So that is true on one hand, but it is also very important that there are female founders out there who are building, and are going to build, huge venture-backed businesses. We need to get away from the fact that they do not necessarily fit into the venture model, because some do, much like a lot of companies do not fit into the venture model in total. It is a very unique asset class, but both men and women are building these businesses.

Rupert Lyle: I do not disagree with that. We are just about to invest in a business, and I will not say the name, but she has raised £18 million. She does not want a quick return; she wants to build a business over 15 to 20 years. She does not have any VCs in her business whatsoever. She has gone for corporate ventures and family offices that take a much longer view on when they want their returns back. So I agree completely—it was a sweeping generalisation, and it is very focused on the west midlands where we personally invest. All the female founders I work with are purpose-led rather than finance and status-led. They do it because they have an itch they want to scratch, and they start a business with a purpose. That is not to say they are not at all focused on becoming a significant business. Some founders just look at their business and what it means in a different way.

Q96 **Chair:** Is it not a very dangerous, although very lovely, stereotype to have—that women entrepreneurs want to have a purpose? That is great, but if you are looking for finance, a woman entrepreneur will know that that person wants a return for their money. Is it not a slightly self-fulfilling prophecy that women are constantly seen as the ones who want to have a purpose for their business rather than want to make money? Is that not perpetuating part of the problem, or are we saying that venture capitalists and funders need to have a greater value in purpose as well as money?

Rupert Lyle: No. Female-backed businesses generate 35% more returns than male-backed businesses. I would guess that it takes them longer to do that, because if you are going to build a business with purpose, it is more sustainable, and it is probably ultimately more valuable. It is just that it does not focus on a very quick return, which is what a lot of the venture capital funds in the UK are focused on these days.

I used to work for 3i, which invested off its own balance sheet. It had 3,000 investments around the UK and had no time-return criteria. Basically, that meant that it backed founders who, if they had a long-term vision and a purpose, did not need to generate a quick return. Some did, but others took a lot longer to build the value of their business. I agree; I can see exactly why female-led businesses generate greater returns. They have a much longer-term view over the period at which they are going to build those businesses.

Q97 **Rosie Duffield:** Jenny, do you want to come in?

Jenny Tooth: Yes. I guess I was trying to get back to the beginning, because one of the big issues is that a lot of people say there are not enough women coming forward for investment, not enough women in the pipeline. There are huge reasons for that, one of which is that when they have arrived there, they generally have not even got through the screening process, as far as speaking to the investors. They have found a process that is very much focused on male businesses. The background is that still about 75% to 78% of angel communities, and obviously even greater in venture capital, are male. Therefore, the engagement has been with male-led teams. There is a pattern of the way businesses are welcomed, screened, and then actually have a chance of getting through the process.

We see an increasing number of women in the pipeline, but they are mainly cold call rather than warm referrals, and many of them are not getting through the screening process to get in front of the investors. When they are in front of the investors, as many of us will know, there are very few women in the investment decision-making team. There is a pattern of experience, which Rupert described in a way, of what a business is expected to look like, the engagement process, and then what happens to them through that process. Clearly, that has been the systemic situation until now, and we really have the chance to change that.

We can see the impact of change when we have more women in that system. When there are more women in the system, there is a far greater group of women with warm referrals coming through the pipeline, a very different process of engaging with them, and a very different outcome. We have to bear in mind that Rupert has described the traditional pattern of experience, but you can also see the impact when that changes. We have to take the point that it has been a very male-dominated system up until now. That is the bit we are obviously trying to change and address, and we know we can. However, if you look at the stats, that is where it still looks very challenging for women, because we still have not made a difference to the number of women who are in that process. We have to look at it right along the supply chain, from the pipeline to the investors. Whether they are angels or VCs, it is very similar, and we have to assume that all the points that Rupert made refer to staying with the status quo.

Q98 **Rosie Duffield:** To what extent is there evidence of gender bias? You have kind of answered that. I guess it is about the stats of who makes it through. How provable do you think that is?

Jenny Tooth: I will briefly allude to the Investing in Women Code report. We can see the difference when there are more women in the process. We are now seeing much bigger pipelines. This year, our statistics for the Investing in Women Code show we have as many women as men in the pipeline—in fact, it slightly tipped the balance this year—and a higher number of women warm referrals, because we now see that 25% of the investors are women. You can start to see that right the way through. As we follow that pattern, we can see—as can my colleagues—that for women-led VCs it impacts right the way down the line and then right the way through the process. It completely impacts outcomes and therefore those opportunities, and obviously that is what we want to see.

Q99 **Rosie Duffield:** Alice and Rupert, do you offer any training or internal review processes to identify and counteract those kinds of biases?

Alice Albizzati: Yes, indeed, there is plenty of scientific research evidence that shows there is bias. We have stories about it being okay for an entrepreneur to be very ambitious and a go-getter if it is a male, but if it is a female, it becomes someone who is a bit too self-oriented. It is very striking to know that we all, female or male, have this kind of bias.

At Revaia, the whole team is trained to understand and recognise that we have this kind of bias. This is something we did last year, for example, during our team offsite—we had already done it a couple of years ago. It is important to have concrete case studies that come with a wow effect, where we all realise that we have biases and then we try to find solutions to address them. For example, even in job offers there is a lot of bias that tends to be more male-oriented than female-oriented for risk-taking positions, and so we try to make these job offers more neutral in terms of gender bias.

Q100 **Rosie Duffield:** Rupert, do you want to come in?

Rupert Lyle: From a regional perspective, it is quite difficult to attract female investment managers, and that not through lack of trying. One of our biggest opportunities is the creation of the Fortuna Fellowship, which is a female-founder investment readiness programme. We are spending the next 12 months with five female founders to help them work out what they are brilliant at and what they are not brilliant at, and then encouraging them to build teams to do the things they are not brilliant at. It is really interesting and rewarding.

Every founder knows nothing when they start a business. Can you imagine what our education system would be like if we sent our kids to school without any teachers? That is what being an entrepreneur is like. It is the loneliest job on the planet, and we need to spend more time with our founders to actually help them work out what they are letting themselves in for.

It is fantastic—at the session we had with our five female founders last week, one of them actually said, "I'm thinking about giving up." We said, "Oh, why would you do that?" She said, "It's all so stressful, and to cap it all, I'm pregnant." We said, "Don't give up. That's no excuse," and she said, "Well, what do I do?" We all said, "Think about your business not as a founder but as a shareholder. If you were a shareholder in the business and your chief executive said she was pregnant, what would you do?" She said, "I'd get myself an interim." We said, "Well, go and get yourself an interim." She has picked that up and now has a completely different perspective on life. She thinks she has found an interim, and she can enjoy her pregnancy in the knowledge that there is somebody she knows and has worked with who is prepared to pick up the ball and work with her during pregnancy and post-birth.

We need to understand who the people are. It is the loneliest job on the planet. Founders are 50% more likely to suffer from mental health issues; they are 200% more likely to suffer from anxiety. It is a horrible journey, and we let them down because we do not spend enough time helping them. It is incumbent on us all to make the journey less painful. Female founders have a whole load more things to deal with—family, pregnancy, all those sorts of things—so we need to support them.

Q101 **Rosie Duffield:** Jenny, how would you rate Innovate UK's effectiveness in supporting female-founded businesses? Is there evidence of gender bias in its investment decisions?

Jenny Tooth: There are two sides to Innovate UK. I have been an ambassador for its Women in Innovation programme right from the get-go, and I really admire that programme. It started, I think, 10 years ago—if I look back at how long it has lasted. It began with a grant, support and mentoring. It was phenomenal because it was probably the only one that was really focusing on women innovators. People like myself and other women investors were there to help to support that mentoring, connection and engagement.

If I am honest, I think what happened with Innovate UK is that everything got too big, everything got extremely messy, and there was a lack of structure. I have to say, it also got lost in a strategy that was introduced called "Knows No Limits", which is a much broader diversity programme, which is incredibly important, but actually, there was no gender-focused component to really guide it.

Overall, it continued to have a huge number of applications from women because it had been able to provide a very good programme, but administratively or structurally, it was completely unable to really prioritise women and give them the support they required. That was definitely the background to this really terrible long-term decision-making, with so many women getting left out of the process and not hearing anything. That was one of the issues, and it was disappointing to see, as it started out with a unique and interesting programme.

One of the opportunities is that Innovate UK still has a chance to make a lot of changes. It has a fantastic new executive chair in Tom Adeyoola, a really experienced entrepreneur focused on diversity. He genuinely wants to improve processes and strategies, and I have seen some really good messages coming out. It definitely has to address the internal structures; it was extremely messy. The whole grant process was so long and drawn out. Decision making was very poor, and there were also multiple different players. It needs to create a new women-focused strategy and a real pathway for women through that.

There are great things happening. The Investor Partnerships programme is really strong. It could definitely have more women-led investor partners, because these VCs and angel firms are there to co-invest alongside grants. Remember, it is not just going in at the front end; it is about how we support the effective commercialisation for those women innovators and really give them long-term support and access to investment alongside the grants. There are components that really need a lot more work to build that process back to having a genuinely focused pathway for women. Some components are there, but a lot more could be done structurally to provide a better strategic commitment to women.

Sophie Winwood: Alongside my role running the community, I am a female founder. Last year, I applied to the Women in Innovation awards. It is a very time-consuming process, but there is a great community around it. It was the time when they promised to award 50 grants, but it ended up being 25. There was a big uproar and then they re-increased it to 50. That makes it feel like a tick-box exercise, and that they do not actually care about investment in female founders. If this is going to be a priority for the Government and the UK as a whole, we need to stop doing things like that, and actually commit and put our money where our mouth is.

Q102 **Rosie Duffield:** Jenny and Sophie, if what you just talked about is needed now, perhaps it will be needed even more in the future, given the fact that a whole conversation is happening across the pond—that has seeped into our conversation—around anti-EDI policies, and getting rid of equality, diversity and inclusion officers, whether that is from local government or from business in general. Would we be bucking the trend by saying we need to invest more here, or is this something that we should just do anyway?

Jenny Tooth: I work in Europe a lot of the time, and the European Commission and the EIF are totally embracing this gender-focused strategy. I spoke at an Investing in Women meeting on International Women’s Day in New York, when the women in the room were still reeling from the announcement. Most funding was being withdrawn from amazing programmes such as Innovate UK equivalents in the US. Everyone wanted us all to continue what we are doing and be part of what we are doing in the UK, and I could assure them this is a very strong programme being taken seriously in Europe. Just like in many other ways, we can isolate that; we have to carry on and not be daunted by this.

I just hope we can completely let those corporates that have adopted this in the UK see that this is something that is strategically important to our economy and our future, and that they should absolutely embrace what we are doing in the UK and Europe. We have to stand strong; we cannot take that message. We know what works. Of course, we are only at the starting point of change; there is so much more to do. We have to continue to build strategically around this. At times, it is important to differentiate for women alongside broader objectives as well. We are absolutely right in having a gender-focused part of this, as well as wanting to embrace wider diversity and intersectionality, but we should not feel in any way that this is not the future for both investment and business in our economy.

Rupert Lyle: It is so important for us to get the female founder bit right, because it is a genuinely intersectional ecosystem for young and old, all colours and all religions. It is fantastic walking into a room full of female founders because there is no bias in it at all, and it is like a tribe. Men could learn a lot from that. If we get the female founder initiative, the movement and the intersectionality of it right, it will set an example for everyone else for how investment and the whole ecosystem should work.

Chair: And it is good for our economy as well.

Rupert Lyle: Yes.

Sophie Winwood: I just want to add a final point specifically on venture capital. The whole business model is diversification. If you have a diversified portfolio, your returns are better. I just do not understand how, as an industry, we know that that is our business model, yet we do not think about that in the diversity of our founders. In this horrible situation we are finding ourselves in with this D&I backlash with Trump, I think it is a point where we realise this is an issue, and the optimist in me says that we, the UK and Europe, can actually double down and say this is not good business sense.

Q103 **Chair:** I would add that it is not just Trump; it is now happening here. We are seeing that as quite a big policy draw for some parties in the UK. This is not necessarily an overseas element now, and I wonder how UK British finance, business and funders are viewing it as well. Alice, do you want to add anything?

Alice Albizzati: For me, the main issue about the backlash on D&I is that D&I became a purpose or a goal, but the goal or the purpose is not D&I. It is performance and growing your talent pool, because if you are including women, you are adding 100% more people to the pool of entrepreneurs. It is super-important to have these targets, or goals, for equality reasons but also for performance reasons. I think in the VC industry we all agree that we are looking for performance, and women are able to deliver performance.

Q104 **David Burton-Sampson:** Sophie, we touched on this briefly earlier, but the research by the British Venture Capital Association shows that just 15% of senior positions are held by women. What are the barriers to women progressing into those more senior roles, and how do you think those barriers can be overcome?

Sophie Winwood: An important clarification is that they might be in senior positions, but there is a difference between senior positions and control. A lot of the time we will see women with "partner" as a title, but they might not actually have any decision-making roles, so you have to be careful when you are analysing that data. I see three main issues.

Q105 **David Burton-Sampson:** Before you go on, are you suggesting that the 15% figure is possibly lower?

Sophie Winwood: It could be lower, and it fluctuates. I saw a Diversity VC report that said it was actually 22% in partnerships and 17% ownership, but whatever the number is, it is really low and it is unacceptable. As a bit of background, I run a community and platform for women in VC, and we started it because we need more women in decision-making roles. We started with a summit bringing together women in VC. One of the big barriers to entry is a lack of women in decision-making roles, and you cannot be what you cannot see. You have these women who are in funds who have a series of white male partners at the top, and they cannot see themselves being in that position, so they really see this as a training ground to jump into another role. I had a woman come to our summit who said, "I've never felt like I belonged in this industry until now, where I am surrounded by women and women in leadership." That is very common in a lot of industries.

The second barrier is unconscious and sometimes conscious bias within the industry. It is an industry that was built and scaled predominantly by white men. A rather public example was in a news article last year. A UK male partner was called out for saying he was trying to recruit a female partner and could not find any women—that there just were not any out there. The quote was taken slightly out of context. I am not attacking this specific person, but it is very emblematic of the industry as a whole, in that they do not see women as high quality or acceptable within the partnership level.

By the way, there are over 350 female partners in Europe, so there is not a lack of females. There is also an incredibly high standard put on women in the industry that is not put on men. A woman needs to have worked in a start-up, sat on several boards and had several exits. As we were only let into the industry relatively recently, we might not have that track record, but that does not mean we have any less ability to perform.

The third big one is around parental leave and maternity policy, and I think you had a few questions around this. Last year, we did a big report looking at women's experiences going on maternity leave and returning to work. We surveyed 120 women and interviewed 20. That was because a lot of women were coming to me saying, "My return-to-work process was terrible. I'm going to leave my fund; I want to leave my fund." Of the 20 women we interviewed, 10 of them had to set their own maternity policies because they were not even in place. They were the first women to go through it in their fund; there was no compensation. There are a lot of nuances. I will send the report; it is probably easier to go through it afterwards. With venture, it is quite difficult to take time out, so you see a lot of women step back because of that.

Q106 **David Burton-Sampson:** I just want to come back on a point you made about the standards put on women as part of the recruitment process, as opposed to the standards put on men. Why do you think women are being held to a higher standard?

Sophie Winwood: In any industry where roles are predominantly held by a certain type, it is very easy to let that type through—it is, "Oh, that's my mate. I know them. We invested together." You feel that you have an instant view of their quality, whereas if you are faced with an outsider, you push for the best because you do not believe they can be anything less. You see this with female founders as well—I saw the standard put on female founders in my own team. You would get a guy who had come out of uni and built something; he might have worked for Google for two years, and people thought, "He's amazing." Then you had an incredible woman who had worked in a start-up for 10 years, was a CEO, had built her own business, but people thought, "Oh, I don't know, it's not quite enough."

So the first issue is the network, and secondly, because we do not have that many female role models, there is a view that they have to be perfect. It happens in politics as well. Women at the top need to be perfect people. We want to be as average as men.

Q107 **David Burton-Sampson:** That is interesting; thank you very much, Sophie. Alice, in your organisation, have you seen any evidence that the increased gender diversity of decision-making panels has had a positive impact for female founders?

Alice Albizzati: That is a good question. My investment firm, Revaia, is the largest female-led European growth fund; we started as a fund with female decision makers. A lot of people said we were a fund created by women for women. We said, "Yes, we are created by women, but we are here to back the best entrepreneurs—women obviously, but men as well." We made sure that within the team at Revaia we had women and men in every position, both senior level and junior level. We have 20 people in the team and it is obviously not perfectly 50:50, but this is our target and the balance is enabling us to be better at decision making, building the right culture and building the right investment decisions.

Within our portfolio, we still have a majority of male-led businesses. We are at the industry average, with 80% male-led and 20% female-led. We were able to improve the number of female-led businesses within our portfolio by tracking them, having the right KPI and setting targets as a team. To improve a situation, it is important to measure things and set collective targets. What you cannot measure, you cannot track, so that is what we do. In our deal flow, we make sure we have enough females in our pipeline.

Another process we have implemented to improve the situation is to look not only at female entrepreneurs, but at the leadership team and board level. Obviously, the CEO and founders are super-important people in every organisation, but they are not the only ones who are building ventures; they are only one element. To create this role model and build the right community, we have set a target that there should be at least one female on every single board. It is not a huge target, but it is a beginning. What we noticed was that by setting that target, we were able to add women to almost every single board of our portfolio companies. That is not the case in the tech industry where most boards are male-only. Adding women at the board is super-important because that has an impact throughout the whole organisation.

We are also setting a target that there should be a balanced number of females and males in the leadership position of our companies. We are not yet 50:50, but it is something that we track. Every year, it is improving and everyone is happy, because we are adding top-notch female leaders who are building more value and could be entrepreneurs launching their own ventures tomorrow.

Rupert Lyle: We have no female senior leadership in our fund, but 50% of the businesses that we have backed in the last two years have been female founder businesses, so it can be done, and there is talent out there. I guess my point at the beginning is that you need to think about it slightly differently—about who the person is and what they are good at—but it is achievable.

Q108 **David Burton-Sampson:** If you are achieving it, what is different about what you are doing compared with the rest of the industry, because the research says different?

Rupert Lyle: You are not investment-ready if you have only a vision and a deck. A vision without execution is a hallucination. We spend a lot of time working on the execution with our female founders, because it is not just about the deck that they produce. A lot of VCs purely look at the first three pages of the deck and say yes or no. We spend a lot longer getting to know the individuals behind the business, because fundamentally, it is all about them. This is a sweeping generalisation, but female founders are much more up for learning than male founders. If they trust you, they will listen to you, and you can really help them get away from wanting to do everything and get them to understand that the best way of scaling their purpose-led business is to have really good people around them. They will listen to you a lot more than a man will.

Q109 **David Burton-Sampson:** I would think you would want to look further than the deck with all potential investments—maybe you could get better investments with male-only companies as well, so that is a really interesting comment.

Rupert Lyle: We are investing in businesses that have to turn over upwards of £100,000. That generally means a bootstrap founder who has had some traction and an opportunity. We saw 800 decks last year, but you cannot read them all or just look at the glossy cover. You need to understand who is behind it, because if the entrepreneur or founder is not right, you might as well go and stand on the Victoria Embankment and hand your money out. This goes back to my original point that it is so important to understand the person. If you understand the person and you can help them, the journey will be a lot more pleasant for everybody.

Q110 **David Burton-Sampson:** I am going to come briefly to Jenny. What do you think the Government can do to help to improve gender diversity among investors?

Jenny Tooth: It can be done a number of levels, and I will start with some existing measures. First, if I look at women as emerging managers, there could be a lot more funding allocated to, for example, the British Business Bank programmes. The Enterprise Capital Fund is massively underfunded. They have a really limited pool and a very challenging process. Many women who are building and growing great emerging funds are just unable to access that funding. It has been a very challenging area for women for some time, and although they have added a little more to it, they should actually earmark funds—I am keen on earmarking wherever possible—to support women's access to ECF, including a pre-pathway to ECF. We definitely need to help many more women manage funds.

From an angel point of view, there are other existing BBB programmes at the moment, one of which is the Regional Angels Programme. Until very recently, not a penny of that had gone to any women-led angel groups. It is a £250 million fund and there is a further allocation. They have now given some to two London-based women angel groups, but a very small amount is available to them compared with their larger male angel counterparts. There is no dedicated programme available to help. There is a huge opportunity in terms of co-investment funds, because these can actually leverage angel capital.

We have been looking at the real issue for women, which is a lack of access to awareness, education and support. If you look at this from an angel point of view, it is a very broad, open playing field. It is far more open than it is to get into venture capital. There is such a narrow funnel for women into venture capital, and there could be a lot more funding of awareness raising, knowledge and education for women in venture capital—I am sure Sophie will say more about that.

From an angel point of view, the biggest way we can get women to involve themselves in angel investing is to give them knowledge, access and opportunity. At the moment, we have women taking leadership around the UK, building angel groups very much on a voluntary basis and bringing more women into this area, but it takes a lot of effort and work. We need to make it much more accessible for women.

There is definitely an opportunity for the Government to back a programme of education, awareness and support. The British Business Bank has been running a pilot on this. They have put in the spending review that it would like to expand it. It needs to be massively expanded because it takes a long time to build a successful angel group, and for women to have an opportunity to invest, we need many more women-focused groups. We have about 14 at the moment, four of which are all women, and about eight of which have a very strong focus on women—probably 70%. We know the structures that work to get women into angel investing, and we have worked on this in our Women Backing Women campaign that I was organising under the previous Rose review, but it needs to be on a much bigger scale.

We know from the 2022 Beauhurst stats that, at the moment, roughly 14% of angels are women, against a community of over 37,000 across the UK. We have set a target of 30%; I will say a little more about that in the Invest in Women Taskforce, but, at the moment, it is really difficult to move that needle. We have to do a lot more awareness raising and provide a lot more support and encouragement to women to access EIS and SEIS. The knowledge of that is lacking among women, as it also is among many women entrepreneurs, but there is a huge opportunity to build and raise more awareness and access. We can see the existing policy, strategies and measures that are out there, but they are just not on a big enough scale or accessible enough to make them work.

Another massive issue, which is really interesting, is that wealth managers, advisers and asset managers assume that women cannot take the risk of angel investing. They never mention angel investing, EIS or SEIS, so there is a huge gap where women just never get directed towards these things. We have been talking to wealth managers, and there is a massive ignorance on their side about it; they never unlock that massive group of high-net-worth women who could be angel investors. Again, education, awareness and looking at the regulatory barriers that they are constantly quoting is really important.

It is multifaceted, but in many ways it is a very different model to women getting into venture capital. It is a pathway which is open to such a wide range of women, but those women do not know about it sufficiently at the moment. In many ways, it sounds simple to solve, but it is actually such a big canvas and, at the moment, it is extraordinarily challenging to more than double the numbers, which is what we need.

Q111 **David Burton-Sampson:** Just very briefly from a couple of you—I am conscious of time—what would be the reaction, as Jenny mentioned, to putting in quotas and mandating them in some way for investment panels—for example, if the British Business Bank decided only to support funds made by investment panels with a gender balance? Would anyone like to come in on how you think that would go down?

Sophie Winwood: I am happy to start, because I tested this with my community of over 1,000 women in VC. I think the quota thing is too strong. I know there is a lot of evidence that using quotas works, but as nothing has changed in the last 15 years, we need to do something extreme. However, there are other ways it can be done—for instance, in terms of setting metrics, looking to hit those metrics and explaining why you are not hitting those metrics, similar to the way in which the FCA requires certain compliance standards from publicly listed boards.

We need to have more metrics, especially from the BBB, of how many funds they are investing in where 50% of the investment committee are women. However, quotas might be a bit too strong; we do not want to move to a place that feels like tokenism.

Q112 **David Burton-Sampson:** Do you have any view on this, Alice?

Alice Albizzati: I align with your view that quotas can be a pathway to backlash; we really want to avoid that. To go back to my previous point, we should set targets and focus on performance along with pockets of investment available that focus on female-led VCs. When I say female-led, I do not mean VCs that are led or owned 100% by women, but firms that have at least 35% of decision makers or shareholders who are women. That is super-positive because you are not setting quotas; it is about more money going into the VC industry and enabling VCs with female investors to scale. There are plenty of female-led VCs in Europe, including in the UK, but most of them are subscale. They are solo VCs that have £5 million, £10 million or £30 million of assets under management, which is not the way to scale an industry properly. It is super-important to have significant capital available that targets female-led funds. They could be mostly owned by males but with females undertaking some part of the significant decision making. The British Business Bank has such an initiative and that is very positive for the UK economy. In Europe, the EIF also has a similar initiative.

Q113 **Alex Brewer:** I just want to follow up on your point about training, particularly with the female founders you support. I believe you said that your female founders need more training. Why do you think that is? Are there specific knowledge gaps that they are missing? What are those knowledge gaps, why are they there, and how can we fix them?

Rupert Lyle: Every founder has huge knowledge gaps because nobody knows how to run a business when they start one. It is all about learning. On the Fortuna Fellowship, the very first session we had was with somebody who ran a programme called "Be Yourself at Work". We encouraged them to understand who they were, what they were good at, what their strengths and weaknesses were, what they were like in a team—all those things, plus thinking about sharing and being vulnerable. Entrepreneurs are not vulnerable; if you share and trust, the journey is much easier. That was the first thing we encouraged them to do: trust each other as a group and be vulnerable.

As I said, it was amazing when this lady sat there and said, "Listen, I thought last week that I was going to give this up." I have never heard an entrepreneur admit that openly before. It is about being vulnerable, but the key thing that came out of that was the importance of being confident. People talk about imposter syndrome, but there is no need to feel like that. You are actually brilliant at what you do; you just need encouragement and to find really good people around you who can help grow and scale your business. That is the key thing.

To use an example, one of the very first deals we made out of this fund was to back a black female entrepreneur, who raised the largest seed round ever by a black female founder in the UK. Her business is a haircare business, and her purpose is to address alopecia in black women with Afro hair. There are 400 million black women suffering from alopecia around the world. Kam was never going to sell herself short; she is building a business with a purpose, and the opportunity is absolutely ginormous, but she needs to go to America and you cannot do that by yourself. You need to build a team around you. So we found her an executive chairman who has experience in going into the American market. That executive chairman is a man, and they bounce off each other; it is fantastic. She is learning to be confident, to trust and to build a fantastic team, rather than a mediocre one.

When she first started, she was recruiting marketing people who were average, because she did not want to spend any money on them. She has now realised that she has a world-class opportunity, and to make the most of it and hit the ball out of the park, she needs a world-class team around her. It is about working with people as opposed to just saying, "Right—here is a million quid, come back when you've made it." That does not work.

Q114 **Alex Brewer:** Are you doing the same process with your male founders?

Rupert Lyle: Yes, but the reason why I love working with female founders is that there is no bullshit and no arrogance. They are up for learning, and once they trust you, you can have much better conversations with female founders about their long-term vision, how they can hit the ball out of the park, what execution looks like, and what capabilities they need to build around them to make the most of the opportunity. Male founders are less likely to listen and much less likely to be vulnerable.

Q115 **Chair:** Have you always found that to be the case, or was it something you have learned over time?

Rupert Lyle: That men are full of bullshit?

Q116 **Chair:** For some people, it is a journey. Was there ever a lightbulb moment for you, or has this just been a gradual journey where you have seen and invested in more female-founder businesses and learned from them? Was there ever a moment for you where you thought this is it?

Rupert Lyle: Yes. The moment was pre-covid, when I decided I had had enough of the venture capital world, and I decided to go across to the dark side, so I started a business. I had been in the venture capital world since the end of the ’90s, so I thought I knew it, I had a great network, I built a team, and the business was a great success. The only thing I had not done was put a line in my business plan that said, "Global pandemic."

I started that business thinking how difficult can it be, but it was the toughest journey I have ever been on in my life. It was so lonely, there was self-doubt and the fear of failure. That was the lightbulb moment that made me think that this is actually about the people, not about the business, and we have to really work with those people to help them to be their best and embrace that. You should not dilute yourself doing things you are not brilliant at. My view is that women founders are much more amenable to thinking about that and discussing it. It is not a case of, "Yes, don’t worry, I’ve got this sorted."

Q117 **Kirith Entwistle:** My first question is for Sophie. Do you think there should be more transparency and data on investment decision making? If so, what do you think is required in terms of the data gaps, and how do you think addressing those gaps and obtaining that transparency could be achieved?

Sophie Winwood: If you look at the Investing in Women Code data, you will see that the participants who are consistently reporting their data actually invest in more female founders—I think it is 40% versus 28% of the market standard. So there is evidence that it makes a difference if you report it. To Alice’s point, what you cannot measure, you cannot act on. It is emblematic of the funds that want to do it and care that they do report. There is a slight bias here in that the funds that are reporting are the ones that believed in it from the start.

There is a big issue with the challenges and the time intensity of reporting. A lot of venture capital funds are small and do not have big back-office teams. Investment teams are very busy, so there is a worry that reporting becomes a tick-box exercise. What I have heard from a lot of our community members is that it is actually done the week before the reporting deadline, when they scramble around and pull it all together. That is not going to be a great source on which to act; it needs to be part of the structure and the process, but you cannot force funds to do that.

It comes back to the point a lot of us, including Jenny, were making. If you build a fund that is diverse from the ground up and you support more female fund managers starting their funds and scaling it, they are more likely to do these practices, because they see the value of them, whereas trying to retrofit this on to an industry can be difficult. I am absolutely not saying it cannot be done because we should continue to push it, but it is a little more difficult.

Q118 **Kirith Entwistle:** I know you said you cannot force funds to do it, but equally, it would be helpful if they did. Is there something that we as a Government can pull out and use as a template from those who are collecting that data and publishing it? That could encourage those funds that do not have big back-office teams to collect and publish data through giving them a model that they can perhaps use and replicate.

Sophie Winwood: Yes, there is some great software out there that is being built to specifically help this side of reporting. I think we should pull out that information, but I think we should also make a bigger deal of the funds that are doing this and succeeding.

The second thing around whether you can force funds—the only thing that we could do is that the BBB do not re-up into funds that are signed up to the Investing in Women Code and do not report on it. In an industry where money is the language, that is the most powerful incentive; we need an LP base that recognises this and corrects the money to that place.

I would also say that we have been very "carrot" with the Investing in Women Code. That has been the right thing to do so far, but there could be an element of "stick" in calling out funds that have no women on the investment team at all. That should be seen as unacceptable. I am not saying it needs to be mandated, but as an industry, we should react, as this is not okay in this day and age. Again, it is up to LPs to say, "We are not backing funds with no women on the team; it is unacceptable."

Q119 **Kirith Entwistle:** That is really useful; thank you. Rupert and Alice, what data do you collect on the gender breakdown of the businesses that you invest in?

Rupert Lyle: It is not rocket science. Our funds are going to invest in 30 to 40 businesses; it is not difficult to collect the data. In fact, half of our money comes from the West Midlands Pension Fund and the other half comes from the West Midlands Combined Authority. There is a lot about jobs and gender in that, so we report automatically on it.

Alice Albizzati: I agree that collecting data is not rocket science. We collect data on many things, including the climate, diversity and women. What we are tracking is females at board and leadership level in our companies. We are tracking the ratio of females who enter into our pipeline versus our executed investment to understand whether women have more chance of succeeding when we meet them in our deal flow, or if we exclude them. It is important that we track them.

I cannot say that the situation is hugely changing year after year. We invest at the growth stage, and as a growth-stage investor, we are very much dependent on what is happening at the entry level and what is happening at the VC level, so we are down the value chain. That is why it is super-important to have this kind of initiative which is covering the whole value chain from LPs. As Sophie said, LPs have a lot of power and can implement a lot of things at the early stage, as well as throughout the later stages.

Q120 **Kirith Entwistle:** That is great. You mentioned targets earlier; do you have any targets and benchmarks that you use? I know you mentioned effectiveness, but could you just expand a little more on that?

Alice Albizzati: We are part of a number of female initiatives. One target—we are not there yet—would be to have at least one third of our portfolio companies led or co-founded by women. We are still a bit behind, but this is something we are trying to improve. Another of our targets is that 100% of our portfolio companies do have at least one woman on the board. That target is easy to achieve. We have to make sure that the females who join the board are really strong, because otherwise it is negative to what we are trying to achieve. These are the two main targets, and then there are targets within the investment team to have at least 35% women or 35% men to make sure that decision making is gender-balanced.

Q121 **Kirith Entwistle:** That is great. Rupert, do you have any targets and benchmarks that you use?

Rupert Lyle: No, not really. The evidence would be anecdotal. I have seen more female founders in the last five years than I did in the previous 30. Somebody said to me that when you go to America, the founders are revered. We do not revere our founders. You go to America and it is amazing; they say, "Oh, you're a founder. What do you do? Blah, blah, blah." In this country we say, "Oh, you're a founder? When you're successful, come and have a chat."

Without a doubt, the whole world has embraced being entrepreneurial more in the last 10 years than it did previously, and it is definitely seen as a career by women now. You can actually change the planet, or make an impact, and if you have a passion and an itch that you really need to scratch, why not go for it? It is much more acceptable to do that now, but I really do not think that the venture capital world has caught up yet, especially in the UK. We really need to think about the founder and not just about the business.

Q122 **Alex Brewer:** Sophie, I would like to ask you first about tech. What do you think are the primary reasons female founders receive a disproportionately low share of investment in high-growth sectors like tech and AI?

Sophie Winwood: There are a lot of systemic issues, which I do not think are worth going into at the moment. Tech is an overlying banner, but if you look at the industries that underlie it—for example, fintech or healthtech—they are predominantly not diverse industries.

This comes back to everything we have been saying before, which is that to become a high-growth tech company, nine times out of 10 you need to be backed by venture capital. Of all the things we were talking about, women have a lot of barriers to getting that capital, and the investors that are facilitating that capital flow are also un-diverse.

We need more female role models and women to look up to. We should make a bigger deal of Poppy and Anne Boden. We have two incredibly successful female founders in this country. There is a horrible stat that when people aged 20 to 30 in the UK were asked to name one female CEO, 90% could not name anyone. So we need to do a better job of showing women that this is a path and you can make a lot of money out of it. We also need to talk about all the things we have talked about in terms of the investment bias.

Q123 **Alex Brewer:** That leads me nicely to Jenny. To what extent does this focus on high growth in the sectors—particularly tech sectors—leave women entrepreneurs in other sectors with less access to funding?

Jenny Tooth: You are absolutely right, and right at the beginning, Rupert talked about how he was just not seeing enough women in the kind of sectors that VC was backing. One big thing is really where women have easy access to participate. As we have just been saying, there is a very low level of women participating in high-tech sectors, and we can see that; the stats are very clear. Therefore, lots of women are also naturally opening their opportunities into many other sectors.

It is important to recognise that many women are building businesses that actually relate to their own experience; it is often the opportunity that you see and identify. We have many women who have backgrounds in a wide range of different sectors. As investors, we always say you need to have a problem that you want solved, to have spotted something, to have a story of why you are doing it, and to understand what you can achieve and execute. Because there is a low level of opportunity to participate in those kinds of sectors, many will definitely be opening businesses in a wide range of sectors.

From a point of view of saying, "Oh, those are low-growth sectors and therefore not attractive," we can see incredible, solid, sustainable businesses. Angels are actually okay about backing those kinds of businesses, and, in fact, women angels who come from exactly the same kind of thing as I was saying—a huge range of backgrounds and experience, who apply their knowledge, experience and understanding—are very interested in many of those women businesses. We have to remember what we are talking about, because the intersections may not be high-tech, but it could still be a device, therapeutic, or all kinds of products—for example, in healthcare and femtech—which can be hardware, so non-tech.

A great example is the Bettii Pod founded by Elaine Galston, a really successful woman founder, who has been working on designing a washer and sanitiser for period cups inside women's loos. She has been successful and has a wide chain. She is solving a massive problem in femtech healthcare. That is an incredibly innovative, highly wellmarketed hardware that she has developed, yet where would you place that? The women angels have got right behind that, backed it, and it is an incredibly successful company that has attracted both R&D grants and women angels. We often have to think about where we place tech and women's innovation.

I work a lot with the creative industries, and I know that there are huge numbers of women there. But again, if we saw the amazing innovations those women have, and if you take things like the film, animation and video industry, those are very long term and sustainable. They are not high-growth but will, in the long term, create huge amounts of employment and opportunity. We have to bear in mind that angels get it, but at the moment there are fewer opportunities for the women to then build beyond there. So we have this problem of amazing women building huge businesses, probably subscale as we were saying, but that have long-standing value. For angels, it is not such a bad area. We are seeing those businesses often being backed at the angel level, but they will then have a massive cliff edge when it comes to VC.

This is where we need venture debt, other debt products, loans and opportunities for those businesses that will be revenue-generating and long-term employment-generating, but will not hit the high-growth mark. There is definitely an opportunity to use angel investing, but we then definitely need to build other forms of finance around that to enable them to build and scale. Let us not ignore that.

Q124 **Alex Brewer:** What might that other finance look like?

Jenny Tooth: First, the BBB has done a very good job with its start-up loans. It has allowed many of those businesses to get off the ground, and that has often been where angels have found them and come in. We need to ensure that we can build debt products that actually come alongside them at that stage. If we look at the number of women accessing investment, it is still very low and will generally be those businesses that cannot meet those high-growth requirements. So we need to build in that access to debt very early on.

Debt products are fundamental if you are in a position to pay back and pay off the loans. It is very difficult for angels to take them on, because obviously, all the money is then going into the loan. So we have to build in the venture debt-type product that is useful for those women, which allows capital assets and builds and supports the main infrastructure of those businesses, but also recognises their opportunity to build, grow and scale. I do not think we will change the attitude of venture capital to that, but that does not mean that we cannot build strong products that help those businesses to build and scale.

We know there are certain investors—for example, VCTs and various others—that are quite happy with long-term sustainable growth, particularly if they might provide a dividend, but we have to be realistic. We cannot really blame the industry that does not back high and fast growth and big returns, but I totally agree that we must not ignore the group of women who are building fantastic businesses. I wish it were easier to do more for them. Beyond angel, it gets very difficult.

Sophie Winwood: Can I just add a very quick point on femtech? This is just an example of how bad it is in this industry. We have had our first femtech unicorn, a company called Flo, which is a period tracking app, and it is run and backed by white men. Women are building these products; they are just not getting through the pipe.

Rupert Lyle: Sorry, can I just say one other thing, Sarah? Most businesses with female founders that we see are using tech, so it is not that they are boring. Melissa Snover runs Rem3dy Health, a 3D printing technology that she has developed herself in food science technology, which gets the stacks and is her IP, and she has developed all the manufacturing equipment herself. So there is a business that has a potential to be a unicorn and is using tech but is not AI or B2B.

Natalie Wadley, who runs ChangeMaker3D, is using 3D printing technology to print walls onsite for the water industry so you do not need to put concrete blocks on trucks and transfer them miles. Kam, who runs Nylah's Naturals, which is for black women with Afro hair suffering from alopecia, is using food science genetics to work out what sort of proteins and supplements you might need to restore your hair growth. They are very high-growth potential businesses that are using technology but in more normal markets: haircare, construction and nutrients.

Q125 **Rachel Taylor:** The first question is to you, Rupert. You are from the same region as me, or that is where you are based now—clearly from your accent, I don't think you were originally from there. How do you think geographic location and proximity to London affect female entrepreneurs' likelihood of receiving funding?

Rupert Lyle: Proximity to London is an issue. Take the west midlands, for example. It has the same size economy as Hungary, but we have one VC in the region and they have 50. That is not just access to capital. In Hungary, if each of those VCs has three employees, there are 150 people helping early-stage businesses in Hungary; we have 12. How are you going to manage that funnel? Again, it goes back to the structural issues. This is a real chicken-and-egg issue. If you are a female founder with that lack of access to capital, it is difficult. I would say that 50% of the deals we have done in the last two years have been with female founders, so we are bucking the trend. But again, it is about the people, not just the business.

Q126 **Rachel Taylor:** Sophie, what do you think can be done to increase investment in entrepreneurs based outside London and the south-east?

Sophie Winwood: Creating hubs is really important—a place where entrepreneurs and investors can sit together and discuss ideas—as is holding tech events in different parts of the UK. As a previous investor, you can get a bit lazy, especially if your investment mandate is Europe. I know that there is a great one up in Edinburgh called the Turing Fest, which is a way to get investors to move and present the start-up ecosystem. It is a very effective way to get people around.

Again, highlighting the success stories is important. Anne Boden is from Wales; Starling is one of our most successful start-up companies. It is all about creating that FOMO. All investors are looking for the edge and alpha and for deals that other funds have not seen, so how do we ensure that they are looking at those other hubs as being as valuable and exciting as London?

Q127 **Rachel Taylor:** Rupert, do you think investors really understand regional disadvantages that exist?

Rupert Lyle: The three key hubs in the UK are Oxford/Cambridge, London and Scotland. The Scottish National Investment Bank does a fantastic job. Scotland probably has the best ecosystem in the UK, with the Scottish National Investment Bank at the centre of it. Outside that, people do not like to travel, and if you are in those hubs, you are probably seeing enough deals to keep you busy. Unless something lands on your plate, why travel to Birmingham, Manchester or wherever? So there is definitely an out-of-sight, out-of-mind type mentality in terms of investors.

Q128 **Rachel Taylor:** Jenny, do you think there are any support mechanisms for female entrepreneurs to connect them with angel investors if they are outside that ecosystem in London, or potentially Scotland?

Jenny Tooth: First, we are growing some fantastic women-led angel groups outside London and the golden triangle. We are now seeing some amazing groups of women angels coming together in the north, Scotland, Wales, Northern Ireland and many other parts, and those are really acting as major pathways for women in the area. The whole of the north now has a huge group of women angel investors that are coming together and are focused on creating that pathway as well.

Moving VCs is harder, but one way we can do this is to increase angels who invest very much in their local economies and really reach out and find women entrepreneurs and back them. There is a huge way of addressing this, which is to build more angel hubs and networks. There are other things that can be done to help with that. For example, I already mentioned that the British Business Bank's Regional Angels programme was there to provide co-investment funding alongside angel groups, to encourage them to make more investments in the regions.

We now have more than 16 partners who are making investments of more than 75% in the regions. Although their record of investing in female founders is still relatively average, they have a mandate. We are now seeing a couple more women angel groups accessing that programme, but there is definitely more that can be done to leverage that regional investment. Something we are seeing is that they are building ecosystems around them to create those pathways from angel to VC. So women VCs and women angels are coming together in solidarity around this, and we are seeing some great outcomes for those relationships. That is all being done pretty much on a voluntary basis at the moment.

If we really want to build that more localised infrastructure, we have to support it, back it and create it. BBB has been running a bit of a pilot for that and is looking to build and grow it. You can do more to build local, particularly from an angel point of view, but they can also then hub it for VCs. That is the beauty of it: angels are the starting point, bringing more VCs. We have evidence from the Investing in Women Code data that the women-led angel groups are leveraging 1:20 amounts of co-investment alongside their investing, which is phenomenal. It shows that by hubbing and creating an early-stage investing opportunity, they attract a much bigger level of co-investment. It is much easier for VCs to do that.

Q129 **Rachel Taylor:** Sophie, I just want to ask you a question. Jenny has touched on the leverage point and on trying to stimulate that investment in the regions, and we are devolving a lot of functions to regional mayors, particularly in relation to growth and skills. Do you think there is a role here for those regional mayors?

Sophie Winwood: In terms of stimulating?

Rachel Taylor: Yes.

Sophie Winwood: I think so. I have not actually thought too much about that point, but I guess one thing is education around entrepreneurship as a path, education around VC as a capital source, and then creating events and things where you are attracting VCs to come to that part. VCs will come if they believe they will find the next unicorn, and it has been proven that we are creating unicorns in different parts of the country.

Rupert Lyle: I run a £25 million co-investment fund. Half of the funding came from the mayor of the West Midlands Combined Authority and the other half came from the West Midlands Pension Fund, which proves that you can actually get money out of pension funds and that the mayors have a role to play.

Q130 **Natalie Fleet:** Rupert, we have been told that investors routinely consider the parental or caregiving status of female founders when evaluating potential investment. What can and should be done to challenge such discrimination?

Rupert Lyle: We have a cohort of five female founders on the Fortuna Fellowship, two of whom are pregnant at the moment, and you have to encourage them to think about the business from a stakeholder perspective. I mentioned the one we talk about. Think about it as if you were an investor in this business and your chief executive came and said, "I'm pregnant. I'm going to have to go on maternity leave." What would you do? Would you just give up or do something to fill the gap? Those conversations need to be had. The world does not stop and your business should not stop if you are pregnant; you just need to think about who can run your business when your focus is on other things. They are two live scenarios.

I do not think they are insurmountable, because fundamentally, whether you are investing for passion or money, the key thing is ultimately the shareholding you have in the business. If you can take all the other hats off and just think about the shareholding and what management team you might need to run your business, you can get through what is meant to be a very happy period without actually worrying that your business is going to fail at the same time. Did that answer your question?

Q131 **Natalie Fleet:** Yes. I suppose what you were saying is what we can do from the woman's perspective, but I was just thinking whether there is any way that we can challenge it when we are looking at investment, and we have the conversations with them as well that this is not insurmountable.

Rupert Lyle: It should not be insurmountable because it is just about people.

Q132 **Natalie Fleet:** Sophie, how can investment practices be changed to accommodate female founders with family or caregiving responsibilities?

Sophie Winwood: There are some really fantastic examples already out there of VC funds implementing initiatives. Ada Ventures run by Check Warner gives 40 hours of childcare support to all their founders—men or women—who have children. Balderton Capital—one of our blue-chip funds—provides its founders with family support, which is education, network and so on. A female founder of one of our joint portfolio companies had two children over the space of the last two years, and the board put together a benefits package that included extra money to support her travelling and childcare costs. There are a lot of examples of ways that we can get through this; we just need to normalise that rather than it being the exception.

Rupert Lyle: One of the reasons why there are more female founders around now is that your work-life balance can be better if you can work from home. I know a lot of the female founders we talk to do a lot of working from home. It means that they are up early, but they can still do the school run, be there at dinner time and work in the evening. So being a founder actually gives you flexibility in that regard. The issue is: does that deflect from what I am trying to achieve here, from what my purpose is? Again, it comes back to saying, actually, if you have a team around you who can cope when you are on the school run, why not encourage it?

Q133 **Alex Brewer:** I want to send dad on the school run. Jenny, very quickly, because I am aware we do not have a lot of time left, to what extent will the Invest in Women Taskforce make a difference in support for female entrepreneurs?

Jenny Tooth: That is totally our mission—clearly, the end point is totally that—and it is about going about it on a number of levels. I know you have already spoken with Debbie Wosskow, but one big outcome is enabling more women to set up funds. Because we know so well that women back women, women will really influence the situation regarding the amount of capital going to women founders, but it will be in-built in the model, in terms of the women they support.

At the moment, that fund is only £105 million—that actually supports the direct women GPs building funds—and we totally need to double that. We have already had a strong influence on a number of corporates and institutional investors who have brought more than £150 million to the table, which they are giving directly to female founders, often investing in them as well as women GPs. In fact, that pot has just been added to 0last week by BGF, which has put £300 million in play to back female founders. So there is an influence around the fund that will definitely have building more female founders as its end game.

Just very quickly, the pillar that I look after—angel investing—is really focusing on the many things I talked about, which is building more women angel investors, supporting more women angel groups, unlocking the funding that seems to be incredibly tied up by wealth managers and that high-net-worth women own, and really building the pathway of women angels. As I said, we know that 30% to 50% and, for many, even 100% of their investing is in women founders, so we have the evidence. That is another area.

We also have to create policy change, and the big area of opportunity at the moment is what I have just mentioned, which is institutional funds and the pensions. A big area of work for us, which is going to unlock huge amounts of money, is how we can build in a strategic commitment in the deployment of those pension funds to back women founders or back women-led deals in women founders. That is a huge opportunity in not just putting money into the Invest in Women Taskforce fund, which we want, but actually making sure that that money looked after by BBB and the Business Growth Partnership, through the Mansion Accord and the new mega funds, is all being directed across the value chain, from start-up through to high growth, and that they have a strong, strategic commitment to backing women. That is unlocking billions.

We have to keep up the big picture pressure, as well as making sure we are making really practical steps. I feel that we have made a start on this journey. We need a lot more money into the funds and to persuade more institutional investors and corporates to come onside with the funds. Raising awareness of the importance of investing in women will hopefully encourage that pipeline and more people to invest. We talked about how we have to create momentum and be bold and ambitious, and that is what we can do.

Q134 **David Burton-Sampson:** Sophie, do you think signing up to the Investing in Women Code should be a prerequisite for British Business Bank support?

Sophie Winwood: Yes, it should. It is not a difficult thing to do. As I said, capital and money speak, and we should be very careful with where we direct that capital. I really want to echo Jenny's point. We should be the best place in the world to set up a female fund. The BBB needs more money to do that and back it from the earliest stage—friends and families—so female fund managers can build their track record to ECF and beyond. We should give the BBB more resources to do that, because we also need to back the best. Everyone is going to be looking at this fund, and if it works, they will think it is amazing. If it does not, everyone will say, "This is why we don't invest in women." This has to work and we have to throw everything at it.

Q135 **Chair:** Alice, I am going to ask you the last question—we have a couple of minutes left. If there was one specific policy change or recommendation you could make to the Government to increase investment in female-led business, what would it be?

Alice Albizzati: That is a good question. From the perspective of an investor, having more women investors, and hence more pockets of capital going into female-led funds, would be a very important step in terms of policymaking.

Chair: Thank you all for your time. If there is anything that you think you were not able to elaborate on or we did not cover today that you think would be useful for the Committee to know, please write in afterwards and we will consider that as evidence as well. That brings this session to a close.