

Report shows progress in boosting investment in UK's women entrepreneurs

- 160 lenders and investors are now signed up to a government-industry code helping women entrepreneurs access the finance they need to succeed
- code signatories have been backing women-led businesses, including significantly more venture capital deals in firms with female founders
- government encourages even more lenders and investors to sign up to the code to further support women-led businesses

A new [report published today](#) (Tuesday 28 June) reveals the strength of investment in the UK's women entrepreneurs by lenders and investors signed up to the Investing in Women Code, a world-leading commitment to improve access to finance for women-led businesses.

The Investing in Women Code is an initiative recommended by the government-commissioned [Rose Review](#), led by NatWest CEO Alison Rose, into how best to boost female entrepreneurship. The code sets out commitments to support the advancement of women entrepreneurs in the United Kingdom by improving their access to the tools, resources and finance they need to achieve their goals.

Signatories to the code include Angel investment groups, venture and growth investors and High Street banks including Barclays, NatWest and Santander.

The report is the second-ever annual report on the code and key findings include:

- in 2021, 34% of venture capital deals made by code signatories were in companies with at least one female founder, compared to an industry average of 24%
- in 2021, the average amount of Angel (early-stage) investment being sought by all-female teams (£791k) was very similar to all-male teams (£823k). This is a significant and encouraging change from 2020, when all-female teams requested less than 50% of the amounts requested by male-only teams
- the number of code signatories has now reached 160, with a notable increase in the number of venture and growth capital firms joining, accounting for 34 of the 53 new signatories in the year to 31 March 2022

While there is more work to be done, the code is gaining recognition worldwide. A partnership between 14 countries including Australia, Canada and China, the World Bank and 6 regional development banks is planning to draw on the UK's experience to create a 'Women Entrepreneurs Finance Code' to help the 400 million businesses owned by women around the world.

Small Business Minister Paul Scully said:

Growing the economy is the long-term way of addressing the cost of

living and up to £250 billion could be added to the economy if we break the barriers to women starting and scaling new businesses at the same rate as men.

Significant progress is being made but there will be more to do in the time ahead, so I'm looking forward to working with businesses to ensure all entrepreneurs are able to make the most of their talents and I encourage more lenders and investors to sign up to the code.

British Business Bank CEO Catherine Lewis La Torre said:

There are structural factors at play that hold women back when they are looking for finance. However, we also know that diversity is good for business and that's why, as the UK's economic development bank, the British Business Bank aims to break down barriers by improving access to finance for all entrepreneurs.

As a founding signatory of the Investing in Women Code, we have focused our efforts on increasing the number of venture capital firms becoming signatories as access to venture capital can be particularly challenging for female founders. While I'm particularly proud of the 105 venture capital firms that have signed the code alongside other finance providers, there is more to do to drive action and I look forward to continuing this vital work to promote and support female talent.

Stephen Pegge, Managing Director, Commercial Finance, UK Finance, said:

The banking and finance industry is committed to supporting women entrepreneurs through the provision of finance, guidance and services to address the untapped potential in the UK. Women-led businesses have been driving vital innovation and growth up and down the country and this report demonstrates that progress is being made through the collective effort of the sector with investors, business networks and the government.

It is important that all customers feel confident in applying for finance and so it is encouraging that the report shows 9 in 10 women-led businesses are successful in their applications.

Jenny Tooth OBE, Executive Chair of the UK Business Angels Association, said:

Addressing the barriers for women-led businesses in accessing Angel and early stage investment is a key priority for our work at UKBAA. As one of the partners for the code, it has been encouraging to see an increasing number of our Angel community signing up to this

important commitment and taking actions to create change.

Significantly, we are also seeing the impact of Angel groups with an increased proportion of women investors on the number of female founders seeking and achieving investment. We know there is more to be done and we will be working to attract many more Angel investors to sign the code in the year ahead.

Gurpreet Manku, BVCA Deputy Director General and Director of Policy, said:

The venture and growth capital community recognises that it needs to work together to improve the levels of funding going to diverse founders. Increasing transparency and access to venture and growth capital investors is key to this and it was great to see more firms sign up to the code this year.

Our ambition is to increase the number of signatories further and continue to highlight best practices and actions that work.

The government and the Investing in Women Code partners have agreed 3 priorities for the future:

- further increasing the number of code signatories, including by expanding the information available online for prospective signatories
- showcasing the actions being adopted by signatories and promoting best practices to support women entrepreneurs, including by holding forums to share best practices and engage with women-led businesses
- refining data collection and analysis, including assessing what additional metrics to collect. This includes working with the Rose Review board to further improve our understanding of the finance market more widely and the challenges faced by women-led businesses

The report builds on the announcement last month that a new 'Taskforce on Women-Led High-Growth Enterprises' will support women entrepreneurs, tackle investing barriers, and increase the number of women-led fast-growing businesses. The taskforce will influence high growth investors, the wider business community, and raise the aspirations of the next generation of female entrepreneurs. The first meeting of the taskforce is expected to be this week.

A diverse and inclusive business ecosystem is good for customers, entrepreneurs, businesses, investors, and society. BEIS, together with the Investing in Women Code partners and signatory firms share a commitment to work in partnership to make the UK one of the most attractive countries in the world to start and grow a business by advancing female entrepreneurship.

The government is continuing to back UK businesses and livelihoods, including through the Help to Grow Management and Digital schemes, increasing the Employment Allowance and slashing fuel duty.

Organisations are eligible to become code signatories if they provide debt or equity finance to businesses. Examples include banks and non-bank lenders, venture capital funds, private equity firms, Angel consortia, crowdfunding platforms, and public sector providers.

BEIS welcomes interest in the Investing in Women Code from all eligible organisations. Further information about the code and an online sign up form is available on the [British Business Bank's website](#).