



Invest2Equal

AC Ventures' Journey in Backing Women-Led Enterprises through Gender-Smart Investing

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- Key Challenges and How to Navigate Them
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- Tools & Processes Implemented
- Portfolio Case Study – Astro & Supermom
- Invest2Equal Added Value and Our Future Plan

AC Ventures ensures gender diversity within the firm and across investment portfolio through gender-smart investment strategies

50%

Female Occupancy in Leadership Roles

60_(female):40_(male)
Gender-Diverse Team

40%

Investees are owned and founded by women



We refer the internationally recognized **IFC Performance Standards and Corporate Government Methodology** as our benchmark



We are committed to diversity and inclusion as we are a signatory of the **UNWEP** and are participating in the **IFC Invest2Equal** program



AC Ventures commitment in Invest2Equal



1. Women represented in leadership
2. Gender-diverse and equitable workforce
3. Gender-inclusive value chain
4. Products or services that consider the distinct needs of women as a consumer segment
5. Operations do no harm to women in the community

Invest2Equal supports fund managers in IFC's investment portfolio increase gender diversity within their firm and/or investment processes using a gender lens.

Reducing gender gaps between men and women in private equity and venture capital has the potential to:

- Generate higher returns
- Increase profit, growth, and innovation

Lessons Learned: Invest2Equal enables AC Ventures to progress gender-lens initiatives through firm-level and portfolio commitments

Key actions to strengthen gender diversity

- Firm level**
 - Set quantifiable targets for gender diversity in leadership and workforce
 - Implement HR policies of flexible work, parental leave, and anti-harassment within the firm
- Portfolio Level**
 - Use gender criteria throughout the deal process, including the due diligence process
 - Host workshops on the benefits of gender diversity for portfolio companies
 - Provide support to develop gender action plans and mechanisms for implementation and measuring progress.

 **Investment Benefits**

Gender-smart investing enables higher investment returns and enhanced brand value

 **Financial Performance**

20%-30%
Gross IRR
(Fund III and Fund V)

~US\$39M
in invested capital in female
founder companies

 **Competitive Advantage**

- Diverse perspective.** Gender diverse teams brings varied perspectives, which enhances creativity and innovation. Boston Consulting Group (BCG)'s study shows companies with above-average diversity on their management teams reported 19% higher of innovation revenue.¹
- Employee Satisfaction.** Gender-diverse workplaces tend to have higher levels of employee satisfaction and engagement.
- Attracting more capital and female talent.** Growing demand of investors to incorporate gender metrics into their investment strategies attracts ESG-focused investors and increases female talent retention

¹) Boston Consulting Group: How Diverse Leadership Teams Boost Innovation. <https://www.bcg.com/publications/2018/how-diverse-leadership-teams-boost-innovation>.

AC Ventures thrives to support women-owned businesses and women investors as we view it as a continuous journey toward gender equity

Key Challenges in Implementing Gender-Smart Investing

- 1 Fewer female founder candidates with the necessary qualifications and experience due to systemic barriers in education and professional development opportunities
- 2 Lack of existing frameworks and benchmarks for evaluating gender diversity
- 3 Limited resources and budget to invest in training and mentorship programs
- 4 Lack of robust tracking and reporting system on gender diversity metrics
- 5 Challenges in maintaining long-term commitment and external stakeholders, including LPs

Navigating The Challenges

- 1 Partner with limited partners and other financial institutions that specifically target women-led startups to provide mentorship and networking opportunities
- 2 Use existing best practices and frameworks from IFC, GIIN, and 2X as a reference
- 3 Engage with industry groups that offer training and mentorship programs
- 4 Establish regular intervals for monitoring and reporting gender diversity metrics to LPs
- 5 Highlight success stories and positive outcomes to demonstrate the value of gender diversity

Forward-looking challenges lie in leadership representation and investment gaps in Southeast Asia

Existing challenges in gender-smart investing

- Women still hold a disproportionately low number of leadership positions in financial services
- Women-led enterprises receive significantly less funding compared to their male counterparts due to gender biases that perceive them as higher risk
- Significant regional disparities exist in women's workforce participation with economic and social barriers, such as limited access to education and professional development opportunities, restrict women's ability to secure well-paying jobs

Despite efforts, progress in gender diversity remains slow...

... which impedes the broader goals of female economic empowerment

Persistent underrepresentation in leadership

19%
of C-suite roles occupied by women

21%
of board seats are held by women in financial services

Bias in investment practice

14%
of fund managers are female

6x
less funding received by women-led enterprises compared to men-led

Economic and social barriers

46%
women constitute labor force in SEA, but only **20%** hold managerial positions

5%
of women in SEA lives in poverty

Source: Deloitte Insights (2023), Morgan Stanley (2023), World Economic Forum (2023), Seasia (2023), UN Women (2023)

AC Ventures implemented various tools and processes to advance our gender balance commitments

1

Develop indicator and establish tracking system

We develop gender indicators and establish a quarterly and annual reporting mechanisms to track progress and as a tool for reporting to the LPs.

2

Adhere to IFC and 2X Frameworks

We integrate established frameworks from IFC Performance Standards and 2X Criteria into our investment due diligence and monitoring processes. We adopt gender considerations of IFC Performance Standards and one of key 2X Criteria, such as Entrepreneurship & Ownership, Leadership, Employment, Supply Chain, and Products & Services .

3

Develop training programs/capacity building

We host workshops for portfolio companies on leadership development programs specifically for women to enhance their skills in entrepreneurships and leaderships

4

Implement policies

We implement policies and practices that promote an inclusive work environment, including flexible work policy and parental leave.

5

Public Engagement and Accountability

We issue public commitments detailing our commitment to gender diversity and publish our gender achievements through Impact Report.

Our Portfolio Case Study – ASTRO



ASTRO is an Indonesian quick e-commerce company, offering a 15-minute delivery shopping experience, founded in 2021.



2 out of 3 C-suite positions are held by women.



Astro's commitment to prioritize building a diverse and inclusive team with **strong female leadership.**



Female Talent Retention Initiatives: Talent retention strategies that align skills with roles considering the physical requirements of the job.



Improved business performance in 2023 shown by:

- Sustainable steady growth: ~2-4% ARR growth (m-o-m).
- Profitability improvement: store level 21% EBITDA improvement.
- Strong customer satisfaction: Net Promoter Score is maintained at ~96%.

Our Portfolio Case Study – Supermom



Based in Singapore, **Supermom** is Asia’s largest marketplace for parents and expecting moms to shop for products and services covering maternity and kids.



2 out of 3 co-founders are female co-founders.



Supermom organizes events, seminars, and workshops to **support pregnant moms and parenting**, providing educational content from experts.



Supermom provides families, particularly mothers, the opportunity to generate income, obtain parenting knowledge, as well as receive emotional support through **The Supermom Community**.



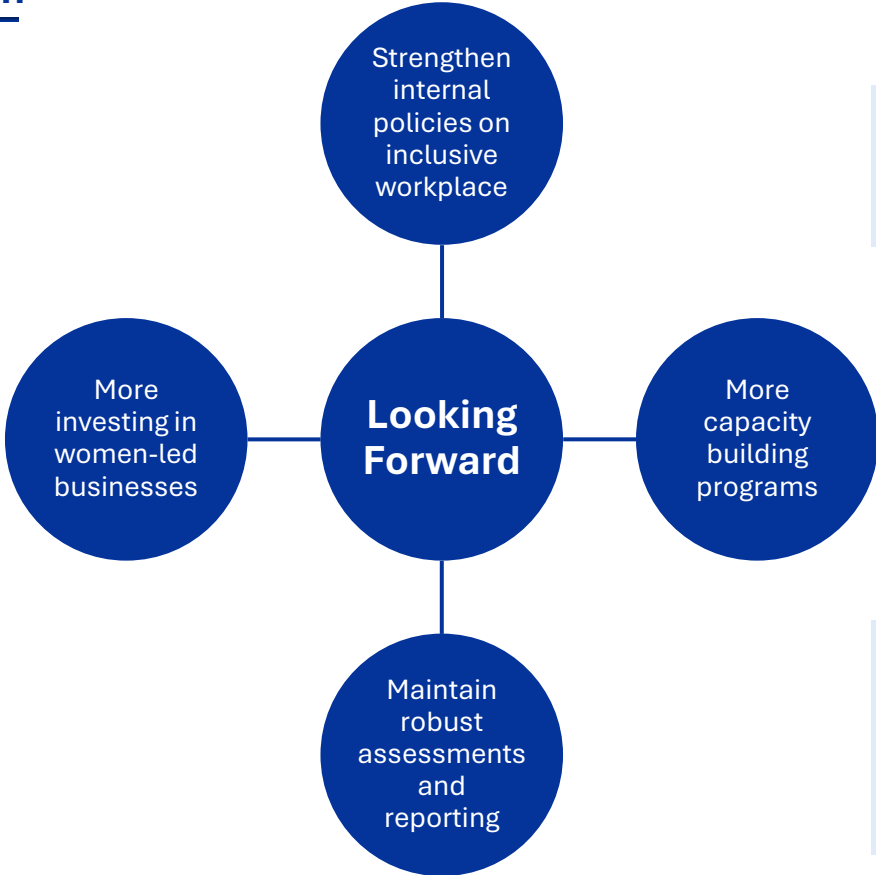
Supermom was named one of the **top 50 local companies** in Singapore at the **Enterprise 50 (E50) awards**.



AC Ventures benefits from Invest2Equal programs as we continue to promote gender diversity in our future investment initiatives and business practices


Benefits from Invest2Equal participation

- **Diverse portfolio.** Investing in women-led businesses diversifies our portfolio, provides higher returns and reduce investment risks
- **Innovation and Performance.** Gender diversity fosters a range of innovations, such as enhanced problem-solving approaches, contributing positively to our business performance
- **Access to networks.** We gain access to a broad network of gender-focused organizations and investors for knowledge exchange and partnerships
- **Positive image in championing gender equality.** Our commitment to gender equity positions ourselves as a leader in gender-lens investing, which attracts stakeholders, including investors, clients, and talents. We gained recognitions through media coverage and speaking panels.



 AC Ventures *Helen Wong, Managing Partner*

*“Investing in women-led businesses is not only promoting gender balance, it is also **economically astute**. By leveraging **gender diversity as a differentiator**, we have secured a competitive advantage.”*

 IFC *Geetali Kumar, Head of Venture Capital and Disruptive Technology Investments*

*“AC Venture’s **focus on innovative technology businesses** is deeply aligned with IFC’s long term commitment to Indonesia’s development. The fund’s commitment to **creating positive impact through ESG goals** with their founders resonates strongly with us. “*



Pandu Sjahrir | Founding Partner
pandu@acv.vc

Adrian Li | Managing Partner
adrian@acv.vc

Michael Soerijadji | Managing Partner
michael@acv.vc

Helen Wong | Managing Partner
helen@acv.vc