

Driving returns through diversity

As we at Beyond The Billion™ (BTB) work with our partner funds deploying beyond \$1 billion to female founders, we are encouraged that many of them fuel innovation addressing our world's greatest challenges. From military-grade mobile ventilators to the long-awaited COVID-19 vaccine, female founders continue to serve on the frontline. The message is clear: More than ever, we must continue to fuel innovation by women. By leaving out 50% of the population, we exclude their lens on the world and their great innovations that benefit us all. The key question remains: **How do we move faster to bridge the venture investment gap?** We gathered some of our best funders and their investees to tackle the topic.

Shannon: Our continued outperformance as GPs invested into female founders is our solution. Our portfolio companies, including Airwallex, have fared better with women at the forefront: higher profitability, number of up rounds, and employee retention rates. The lack of confidence in women in leadership is largely due to cognitive biases. We must be more cognizant of how these inherent biases affect our decisions and intentionally address them daily.



Shannon Kalayanamitr
Partner
Gobi Partners

and shift away from labeling them based on gender. I don't feel defined by the female founder title. I've succeeded by co-

Lucy: In the beginning, I didn't see myself as different from any other founder looking to scale. However, I soon realized there weren't many female founders around me, particularly in fintech. Role models are important, and I'm thrilled to be seen as one. That said, it's important not to place impossible standards on female founders



Lucy Yueting Liu
Co-founder & President
Airwallex

founding a company that has a genuine purpose of helping other businesses scale in this digital economy.

Jackie: Our portfolio performance confirms what research has shown. Diversity in leadership leads to increased creativity, better decision-making, and higher profitability. Endeavor Catalyst's rules and co-investing structure is transforming its \$5 million pledge to BTB into around \$50 million being invested in female-led businesses; we're proud to be invested in founders such as Hande. She has become a testament to investors that now is the time to double down on female founders.



Jackie Carmel
Managing Director
Endeavor Catalyst

Hande: Breaking the traditional "patterns" is key. In fact, Insider is a heavily



Hande Cilingir
Co-founder & CEO
Insider

female-led organization with 50% of top executives in the company being women. The more people see themselves in leadership, in tech, the faster we'll see positive change. It's undeniable that young women in developing countries

Rana: When we started our raise, my co-founder and I experienced first-hand how difficult it is for women to gain access to VC. Investors tend to invest in people who look like them, and there we were, two female scientists from MIT talking about emotions and technology. Then, I wore a hijab and was a new mother. And while we persisted, successfully raising \$53 million to date, it concerned me that there is little diversity within venture firms. I became adamant about bringing on diverse investors and was delighted when MFV invested in us.

Ollen: We launched our fund with a goal of finding great investments inside and outside the norms. Women are significantly underrepresented as founders and funders within VC. We view that as an untapped economic opportunity. In addition to significant representation among our

Limited partners (LPs) have the power to influence and shape the landscape of where capital is allocated. As an LP, we:

- **Build on trusted relationships with GPs to accelerate their diversity journey:** We strive to demonstrate our value-added, deep commitment to VC and understanding of sector dynamics to earn the role of trusted partner to our fund managers. We have to use this platform to ask hard questions and to drive and demand greater diversity within their firm franchises and at the portfolio level.
- **Beyond lip service, execute:** We have been open to, and have backed, fund managers and investment models that can generate

feel the adversities more than anyone else. We wanted to turn this around and build equal space in tech. We have been running the Young Engineers program where our engineers dedicate their weekends to giving coding classes to

high school students. 70% of students enrolled in the program are female, and we are working to translate that into the workforce.



Ollen Douglass
Managing Director
Motley Fool Ventures (MFV)

LPs, 40% of our capital and three of our largest investments are in female-led companies. Our female-led companies have performed better than, or equal to, the rest of the portfolio. We will continue to deliver

financial returns and increase our support for diversity. This includes first-time funds, female-led funds, and diversity-focused investment theses, including funds such as Cycle Capital led by Andrée-Lise Méthot and Stand Up Ventures led by Michelle McBane. Solving complex challenges and capturing new opportunities require the collective brainpower of our entire society. Gender diversity will help propel us out of this crisis.

- **Measure and monitor performance:** We should measure, report on, and sensitize our funds on diversity. We should also continuously improve ourselves at a firm level.



Rana el Kaliouby, PhD
Co-founder & CEO
Affectiva

performance by supporting diverse, talented entrepreneurs, such as Rana. Her unique approach of converging emotions and technology, "humanizing AI," is what captured our attention.



Cédric Bisson
Partner
Teralys