



# The Gender Index



**Wales**  
**2025**



# Wales narrative

In partnership with Prof. Andrew Henley  
of Cardiff University.

Companies in Wales have continued to face challenging economic conditions in 2024, and this remains the case for small and medium sized companies. Although inflation has fallen back substantially, significant levels of economic growth and productivity improvement – which might generate improved economic convergence with the rest of the UK – are yet to materialise.

There has been an improved measure of policy certainty in Wales resulting from transition to a new First Minister and Cabinet. Policy continues to be closely informed by the Wales Wellbeing of Future Generations Act, whose goals have, over the past 10 years, sought to balance inclusive and sustainable economic outcomes with productivity growth and innovation.

The latest Welsh Government economic strategy reinforces this. Aspirations for greater gender equality and inclusion remain implicit in the overall policy framework. Nonetheless, external factors affecting the Welsh business environment remain challenging. The number of newly incorporated companies in Wales has improved from the 2023 total, with an increase in the number of female-led companies. However, the proportion of female-led companies in the total has fallen. This fall is consistent with the wider UK picture.

The Development Bank of Wales continues to play an important institutional role for small business financial support in Wales. However, the most recent quarterly intelligence report from the Development Bank, for the 4th quarter of 2024, notes that Welsh business closures remain at a higher rate than start-ups and that small business confidence is in negative territory. Welsh Government funding for start-up and business growth support programmes is constrained, as business support competes for funding under current Welsh Government budgetary constraints.

The latest data from The Gender Index data shows that for Wales the percentage of female-led active incorporated companies was 19.4% in 2024 and has fallen back from 21.5% in 2023. This rate reduction is consistent with the wider UK pattern. On a positive note, absolute numbers of Welsh female-led companies, as identified by The Gender Index, continues to increase, with a total of 7,510 female-led companies incorporated in 2024. A total of 27.4% of active incorporated Welsh companies in 2024 were led either entirely by female or by mixed gender teams.

Overall numbers of fast growth companies in Wales remain small. The female-led proportion in Wales of just under 13.5% is well above the overall UK rate of 10.6%.

**“Welsh business closures remain at a higher rate than start-ups and small business confidence is in negative territory.”**

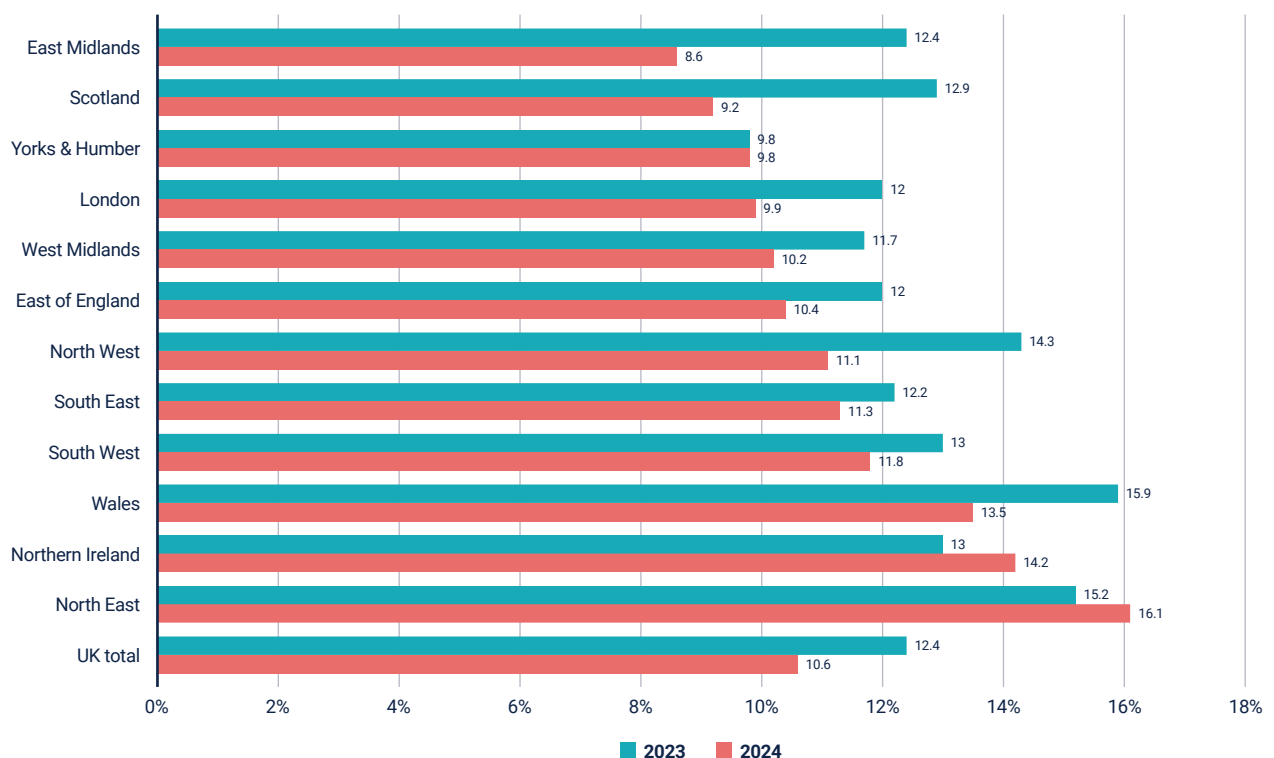
Wales also continues to perform well in the proportion of female-led EIS-qualifying companies securing external finance. The most popular form of finance is Angel investment, followed by investment from family sources and corporate venture capital investment.

Female-led companies in Wales perform well, compared to the rest of the UK, in obtaining secured external debt. This places female-led companies in a stronger financial position, since lenders may be more

patient and borrowing rates more attractive.

Despite challenging economic circumstances and levels of business confidence, there has been a substantial improvement in average turnover growth among female-led companies in Wales to an average of 19.5% in 2024. This is welcome, although average turnover growth of entirely female-led companies in Wales remains below that for male-led and mixed team companies.

**Figure 11: % of fast-growth companies by ITL1 region**



# Wales key findings

Over 2024 Wales had a total 38,742 active incorporated companies, of which 19.4% were female-led. This is below the overall UK rate of 20.5%. However, the total number of active incorporated female-led companies in Wales has increased by over 1,700 between 2023 and 2024, despite a fall in the female-led proportion.

In 2024 in Wales, 27.4% of active incorporated companies involved female leadership, either in all female teams or in mixed gender teams. This is below the overall UK rate of 31.6% and a decrease on the 2023 rate.

In 2024, 18.2% of female-led incorporated companies were dissolved. This share is well below the UK average, and the lowest across Home Nations and regions.

13.5% of fast growth companies in Wales in 2024 were female-led. Wales has the third highest proportion of female-led fast growth companies across all UK Home Nations and regions, well above the overall UK rate of 10.6%. There has been a drop in the total in Wales since 2023 and, although still above the UK average, the female-led rate in Wales fell from 15.9% in 2023 (Figure 11).

14.5% of companies securing external capital of any form in Wales in 2024 were female-led. This rate is down from 2023. The highest numbers of female-led companies securing external finance in Wales obtained it from Angel investors. Across all Home Nations and regions, Wales in 2024 had the highest proportion of female-led companies who secured Corporate Venture Capital investments. Only three other Home Nations and regions had a higher percentage of female-led companies who relied on Family investments.

25.4% of EIS-qualifying female-led Welsh companies secured external capital in 2024. Both the number and the rate have increased substantially from 2023.

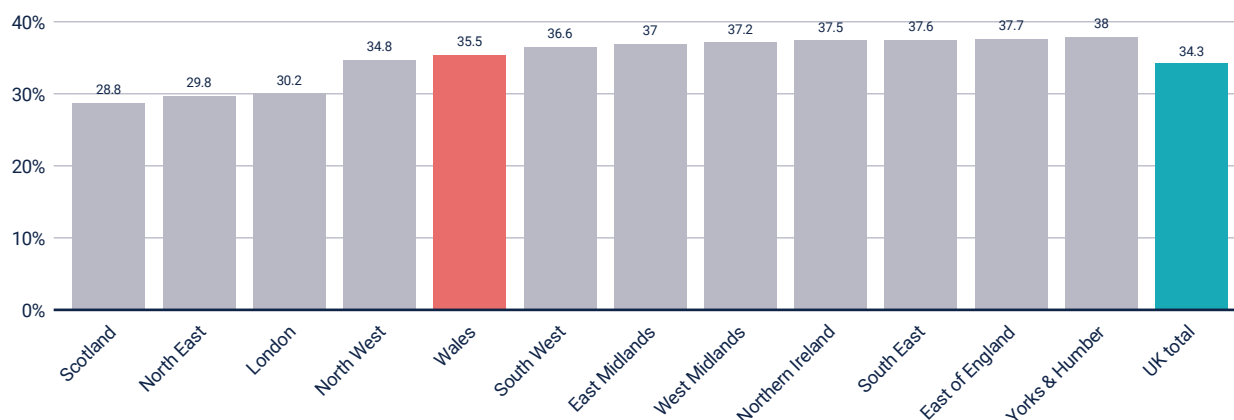
The proportion of female Angel investors in Wales remains above that for the UK (Figure 12).

Female-led companies in Wales achieved average turnover growth in 2024 of 19.5%, a substantial improvement on the average for 2023, but below the growth rate of male-led and mixed team companies. The female-led company turnover growth rate in Wales has moved closer to the UK average rate of 21.6%.

The highest proportion of female-led companies in Wales in 2024 was in the oldest Silent Generation group, at 20.7% of the total. Proportions for other generational groups are only slightly lower at around 19%. Proportions in the younger generational groups, Millennials and Gen Z, have increased slightly in Wales in 2024, consistent with younger female company owners gradually replacing retirees in the older generational groups. Proportions are below the UK for the two youngest generational groups, with Wales ranked third lowest for female Millennials and second lowest for female Gen Z.

In 2024 Wales retained the position of having the highest female-led proportion of companies with secured external debt across the UK, 16.3% compared to the UK overall rate of 14.2%. The total numbers of female-led companies in Wales with secured external debt remain almost constant between 2023 and 2024.

Figure 12: % of Female Angel Investors by ITL1 region





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