

The Gender Index



2022

Positive change for women in enterprise, driven by data



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Foreword

We are delighted to have launched The Gender Index and we invite you to share our ambition to create a more equal future by providing, for the first time, a clear and accurate picture of the UK company landscape analysed by gender.

The Gender Index is groundbreaking and is the largest research study into female entrepreneurship ever undertaken.

It accurately measures the number of female-led companies and their impact on the UK economy. AI-powered, it holds live data on more than 4m active UK companies, constantly refreshed and always up-to-date.

It is the first time gender disaggregated information has been made freely accessible for the public, through our interactive website www.thegenderindex.co.uk and reported in this digest.

Currently 16.8% of all active UK companies are female-led. Female-led high-growth companies lag significantly behind their male counterparts and the percentage of those that successfully raise capital from investors is even lower.

In 2019, the Rose Review identified that an additional £250bn could be contributed to the UK economy simply by empowering more women to start and grow companies.

Our research shows that whilst this is now happening (female-led incorporations in 2021 reached 20%), more needs to be done to support female-led companies to make the jump from small to medium and large size.

Why is this important?

With the technology at our disposal, we can change this. We now have the ability to map every company across every UK nation, region, LEP and local authority, by sector, by investment, and in real time.

We have the insights to work with policy makers, local and national government, corporates, researchers, investors and female entrepreneurs to inspire a more inclusive, diverse - and stronger - economy.

Our Partners and Sponsors have been instrumental in bringing The Gender Index to fruition, for which we are incredibly grateful.

You can read in this digest and on our website why our partners share our ambition to drive positive change for female entrepreneurs. They will be offering insights into the findings in our regular TGI bulletins.

This digest of The Gender Index (TGI) offers in-depth and fascinating findings from each of the nations of the United Kingdom, as well as painting the national picture.

The academic analyses and insights have been produced by leading UK business schools - Warwick Business School and the Enterprise Research Centre, Strathclyde University and the Hunter Centre for Entrepreneurship, Cardiff University and Queens University Belfast.

This digest contains some of their key findings, but the full wealth of their work can be found on the TGI website www.thegenderindex.co.uk.

We hope you find our first TGI report interesting and valuable, and above all, that you will join us in our ambition to inspire positive change for women in enterprise.

I am delighted to be leading The Gender Index, alongside John Cushing, CEO of mnAI, with huge support from all our partners, sponsors, contributors, suppliers and our steering group.



A handwritten signature in black ink that reads "Jill Pay".

Jill Pay
Chairman

The Gender Index

UK National narrative

In partnership with Aemiro Habte, MSc Imperial College and John Cushing, mnAI

Entrepreneurship is one of the key economic drivers, through the creation of jobs, products and services. In the UK, 51% of GDP and 99% of all companies are SMEs.

However, little is known about the gender composition of these companies. From the Rose Review to the Investing in Women Code, pioneering initiatives have helped raise the bar on reported standards, supporting a new generation of female entrepreneurs and female-led fast growth companies.

Today, we are excited to push these boundaries even further. The results from this analysis cover 6,917,693 unique directors, 4,412,017 active companies and 1,242 Venture Capital and Private Equity investors. The digest is both macro and micro, producing insight and analysis to highlight areas that champion diversity and to offer the opportunity for others to understand how they can model success.

This digest highlights the growth in overall female-led company numbers and the innovative work being undertaken to establish new sectors and centres of excellence, especially within the devolved nations.

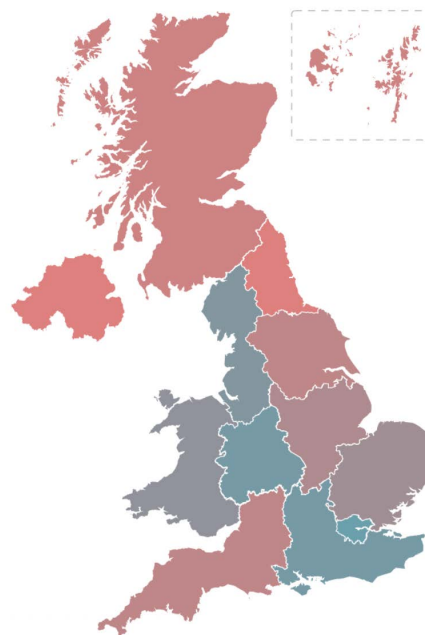
This digest also identifies clear opportunities to drive positive change, such as access to capital for female founders and the low levels of transition from small to medium and large female-led companies.

The transparent findings from the data that follow are the hard facts, but they are the springboard for the action needed to stimulate the growth of female-led companies and their contribution to the UK economy.

National headlines

- Active female-led companies make up 16.8% of all UK companies. This is three and a half times smaller than the 2.7 million male-led companies.
- Encouragingly, in 2021, 20% of newly incorporated companies were female-led.
- Female-led companies are under-represented across most regions, sectors, and company sizes.
- The under-representation of female-led companies is more pronounced when considering high growth companies. This is true across regions, sectors, and company sizes.
- There is no conclusive correlation between the size of a company and its leadership, although female leadership does tend to decrease as the size of a company increases.
- The regions with the highest percentage of high growth female-led companies are Wales and Scotland, both at 12%.
- The highest proportion of male-led high growth companies are medium-sized (81.0%) while the lowest are small companies (72.7%). Inversely, female-led high growth companies are most frequent in small companies (11.2%) and least frequent in medium-sized companies (6.3%).
- Most investments in the UK and its constituent nations go to male-led companies.

Figure 1 - Number of female-led companies per ITL1 region



ITL1 region	Number of companies
London	227,184
South East	104,960
North West	73,691
East of England	66,790
West Midlands	58,313
South West	46,149
Yorkshire and the Humber	42,079
East Midlands	40,675
Scotland	34,485
Wales	21,361
North East	15,346
Northern Ireland	8,718

*ITL1 regions are as per Eurostat definitions.

- The main investment avenue for female-led companies is angel investment although corporate investment plays a significant role.
- The UK average for the percentage of investments that go to female-led companies is 11.9%, which is low compared to the percentage of female-led companies (16.8%).
- Of the 1.3 million UK investments that were identified, 66.1% went to male-led companies whereas female-led companies obtained nearly six times less investments (11.9%) than male-led companies.
- For female-led companies, the majority of identified investments were made by angel investors with the UK average at 83.8%.
- Both venture capital and private equity made up a very small percentage of investments in female-led companies where the UK average was 0.5% for the former and 0.1% for the latter. Neither surpassed 1% of the investments for any region.
- Of the 2.2 million UK angel investors recognized, 30.2% were female angel investors.
- Male angel investors also represent the majority in each constituent nation, with the largest proportion being found in Northern Ireland (57.2%) and the smallest in Wales (49.7%). On the other hand, female angel investors were most common in Wales (32.4%) and least common in England (30.0%).
- The top three sectors for female angel investment were: professional, scientific and technical services; information, communication and technology; and real estate activities. These represent, 7.2%, 5.3% and 5.3% of total female angel investment respectively.

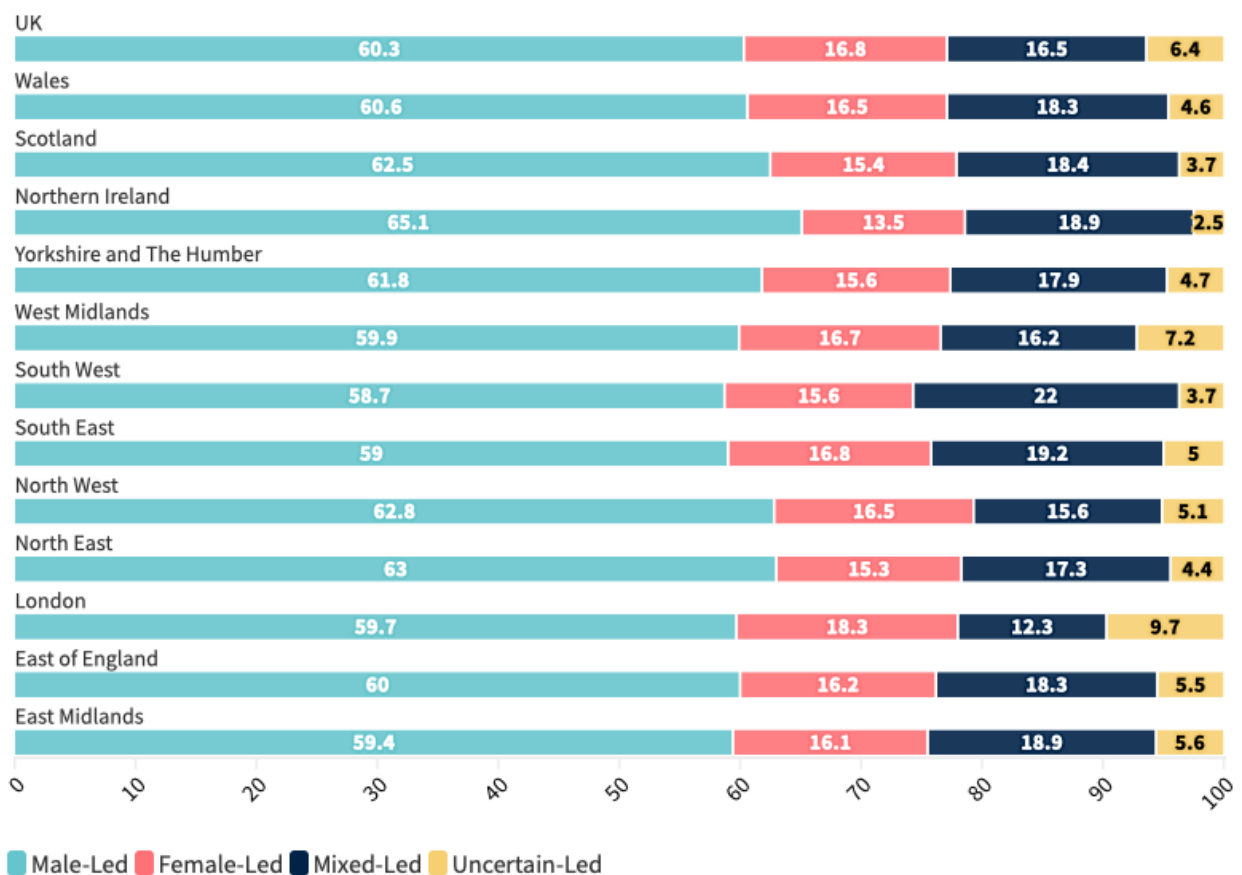


“The number of active female-led companies is **3.5 x** smaller than male-led companies across the UK.”

Key national findings

- On a national level, the proportions seen of male, female and mixed leadership are roughly the same. This is displayed in Figure 2 where the leadership for each respective gender across ITL1 regions are within a few percentage points of each other.
- Across ITL1 regions, London has the highest female leadership at 18.3% while Northern Ireland has the lowest rate of female leadership at 13.5%. On the other hand, Northern Ireland has the greatest percentage of male-led companies at 65.1% while the South West has the smallest proportion at 58.7%.
- The variation in leadership across sectors is much more pronounced than across ITL1 regions. The data shows that while all sectors are male dominated for leadership, the extent of that domination can fluctuate drastically. Health, wellbeing and social care activities have the largest percentage of female leadership at 35.3%, followed closely by education at 33.0%. Conversely, the energy supplier sector has the smallest percentage of female leadership at 4.5%. Male-led companies are most common in the energy supplier (77.0%) as well as construction (74.3%) and least common in health, wellbeing and social care (36.4%) sectors.

Figure 2 - % company leadership by gender and ITL1 region



- Similar to leadership by ITL1 region, the leadership composition of UK companies by size does not change considerably based on the size of the company. Figure 3 shows the composition of female-led companies by size-band.
- In the UK, the average turnover growth for the period 2018-2021 was 51%. This was higher than nearly all the constituent ITL1 regions except for the East Midlands, London and the South East. For individual ITL1 regions, the East Midlands had the highest turnover growth (71%) whereas the West Midlands had the lowest turnover growth (26%).
- Turnover growth by sector varies even more than turnover growth by region. The sectors with the highest turnover growth in that three-year period were construction (136.8%) and real estate activities (123.2%). The sector with the lowest turnover growth and the only one that had negative growth was water and waste services (-0.2%).
- Turnover growth by percentage and company size favoured smaller companies which outperformed their larger counterparts. The difference in turnover growth between micro-sized and small female-led companies was 0.5%, where the former had a turnover growth of 55.9% in the period 2018-2021 while the latter had a turnover growth of 55.4%. Large companies were the third highest in terms of turnover growth (14.2%) while medium-sized companies saw the least turnover growth (11.7%).
- Every ITL1 region has a very high percentage of their high growth companies being male-led, with nearly all exceeding 70%. The ITL1 region with the lowest proportion of male-led high growth companies is Wales at 67%.
- The ITL1 region with the lowest percentage of high growth female-led companies is the North East at 6%. The greatest and smallest proportion of high-growth companies for mixed-led companies are located in Wales (17%) and Yorkshire and the Humber (10%) respectively.

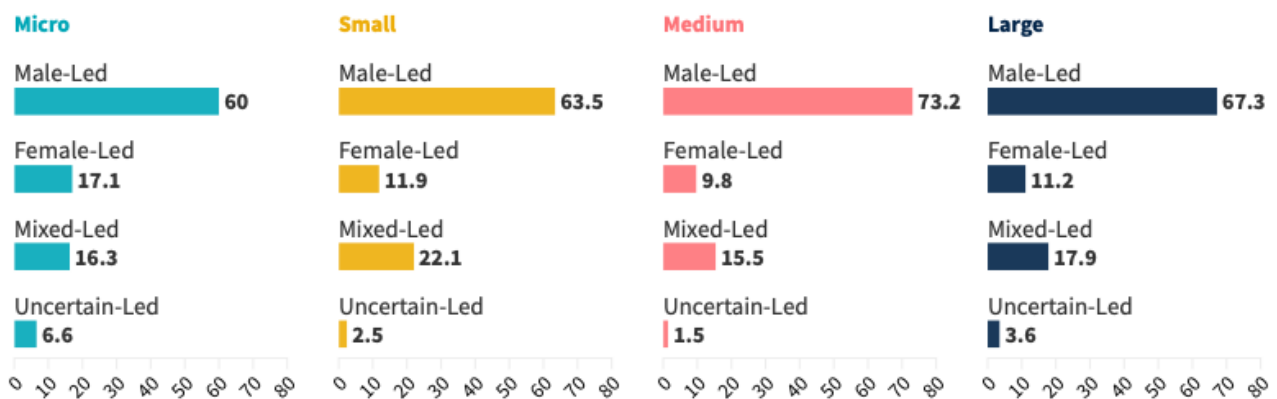
Figure 3 - % of female-led companies by company size

Company size	England	Scotland	Wales	Northern Ireland
Micro (0-9 employees)	17.30%	15.70%	16.70%	13.80%
Small (10-49 employees)	11.80%	13.20%	13.90%	10.70%
Medium (50-249 employees)	9.80%	9.10%	10.20%	9.00%
Large (250+ employees)	11.40%	9.20%	11.90%	7.10%

- The leadership composition of UK companies by company size does not change considerably depending on the size of the company. Figure 4 shows male-led companies with medium-sized companies having the highest proportion at 73.2% and micro-sized companies the lowest at 60.0%. The inverse is true for female-led companies with the largest percentage in micro-sized companies (17.1%) and the smallest percentage in medium-sized companies (9.8%).

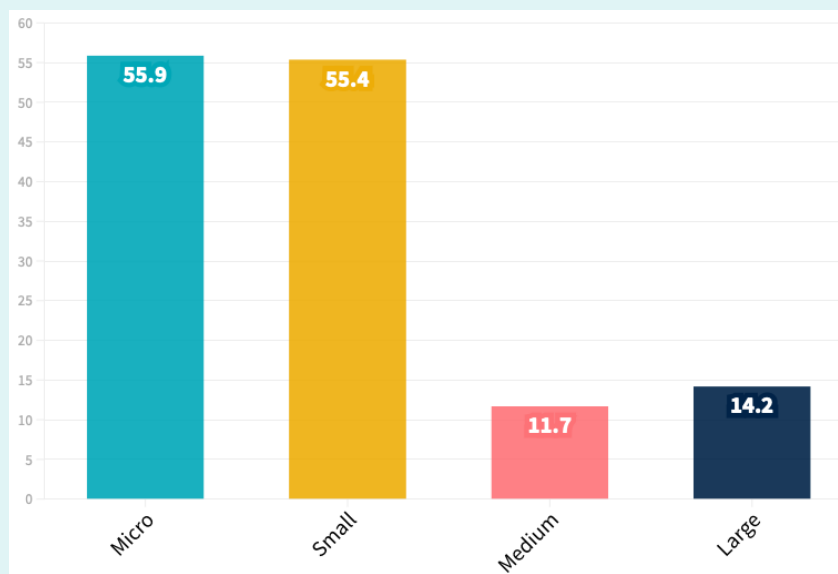
Mixed-led companies are most frequent in small companies (22.1%) and least frequent in medium sized companies (15.5%). There is no conclusive correlation between the size of a company and its leadership split though female leadership does tend to decrease as the size of a company increases.

Figure 4 - Company size by gender %



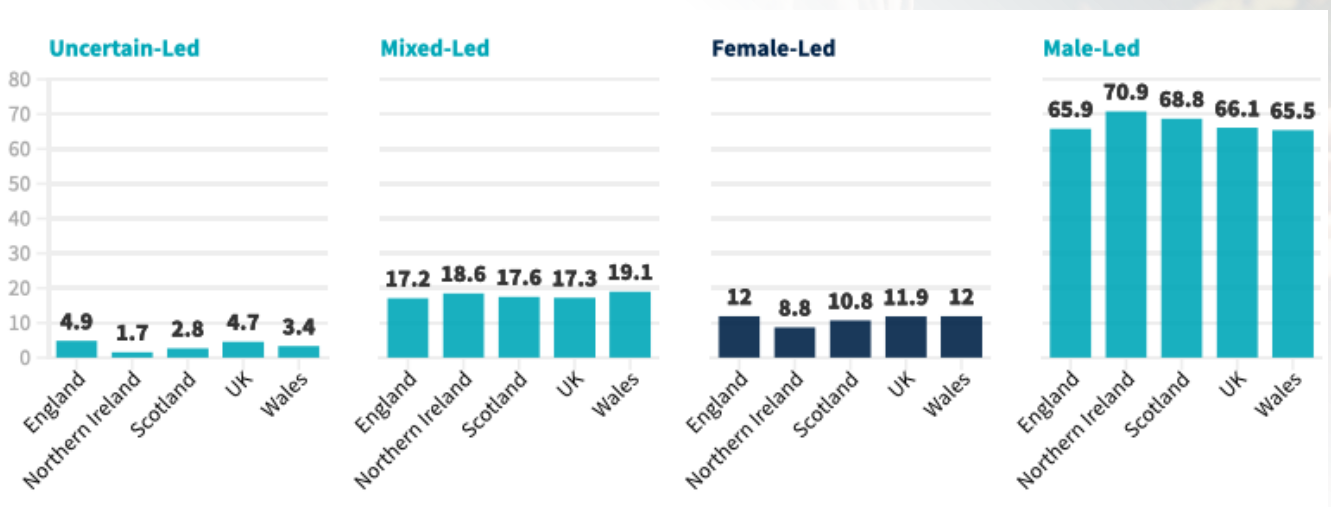
- Figure 5 shows the average female-led, three-year % turnover growth by company size.
- 98% of all UK companies are classified as micro or small.
- When looking at the average three-year turnover growth by ITL1 region, the national average was 51%. This was higher than nearly all the ITL1 regions save for the East Midlands (71%), South East (66%) and London (63%). This directly correlates to population density.

Figure 5 - Female-led % turnover growth by company size



- The ITL1 region with the largest percentage of angel investment was the West Midlands (86.4%), whereas the ITL1 region with the least angel investment was Northern Ireland (79.2%). Corporate investment was the other significant investment avenue for female-led companies. The ITL1 regions with the highest and lowest proportion of corporate investment were Northern Ireland (20.8%) and the West Midlands (13.3%) respectively.
- The top three sectors for female angel investment to female-led companies were wholesale and retail (1.3%), professional, scientific and technical services (1.2%) and health, wellbeing and social care (0.9%). Furthermore, 16.4% of investments in professional, scientific and technical services and 15.5% in real estate activities were to female-led companies.
- The percentage of high growth female-led companies is low compared to the percentage of female-led companies. This is true even in ITL1 regions with higher levels of female entrepreneurship, such as London. Here, the proportion of female-led companies is 18.3% but drops to 8.0% when considering high growth companies, whereas the percentage of male-led companies goes up from 59.7% to 77.0% when considering high growth companies.
- Sectors with relatively high female entrepreneurship like health, wellbeing and social care drop from 35.3% to 22.5% for female-led companies while their male-led counterparts rise from 36.4% to 54.7% when adding a high growth filter.
- Figure 6 shows the national breakdown of investments generated by female-led companies. For the UK nations, investment in male-led companies was highest in Northern Ireland (70.9%) and lowest in Wales (65.5%). Female-led companies generated their largest percentage of investments in Wales as well as England (12.0%) and their lowest share in Northern Ireland (8.8%).

Figure 6 - National % breakdown of investments generated by female-led companies



England narrative

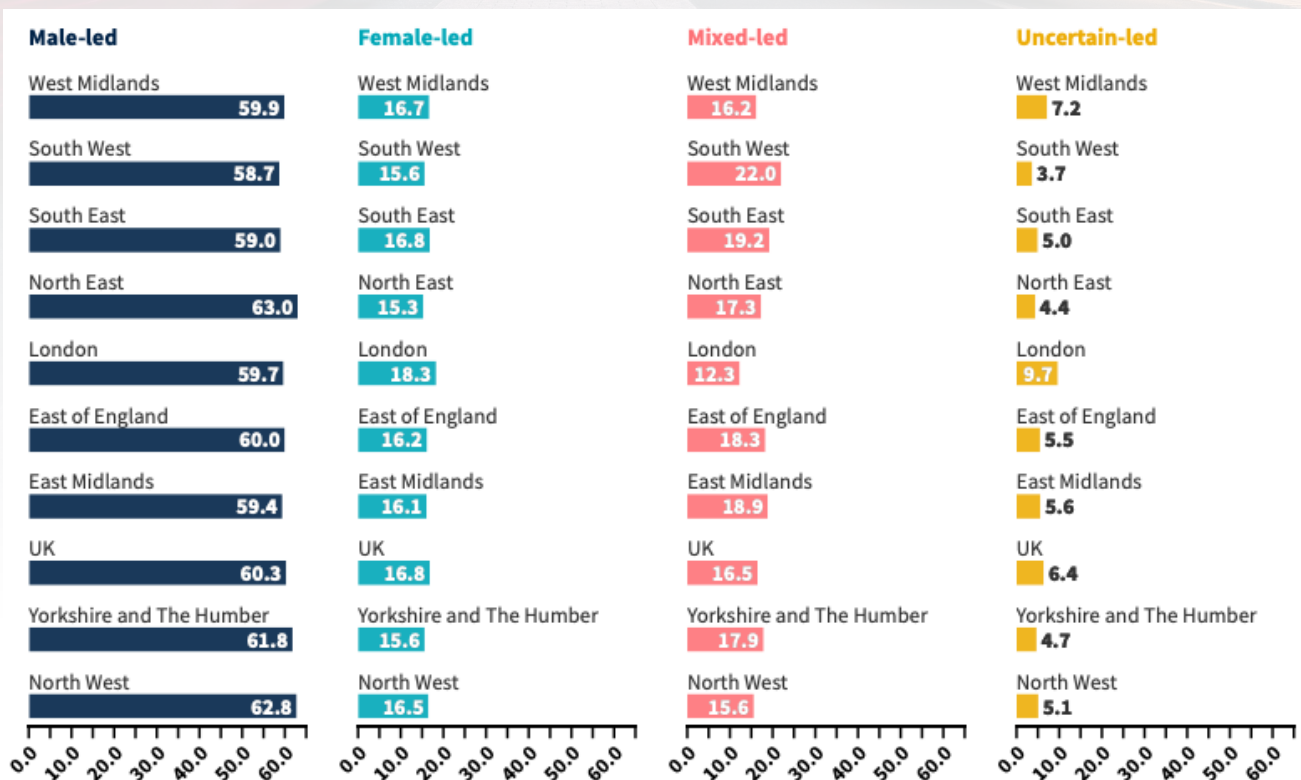
In partnership with Prof. Stephen Roper, Warwick Business School and The Enterprise Research Centre

The Rose Review of Female Entrepreneurship (2019) and the continuing work of the Rose Review Board and the Investing in Women Code have focused the attention of policy makers across England on women’s enterprise. For the first time, the Gender Index provides comprehensive and timely data on the gender of company leaders across England. Based on an analysis of data from active 4.4m companies across the UK, The Gender Index highlights marked contrasts between English regions and sectors in terms of company leadership and investment.

Overall, The Gender Index suggests those levels of female-led companies in England compare well to that in other parts of the UK. However, female-led companies remain under-represented in some northern regions of England, in some high value-added sectors, and in terms of high growth and equity investment.

These continuing challenges relate directly to many of the themes in the recent Levelling-Up White Paper, and suggest the need for continued national and local policy attention in England to promote female-led companies and their development.

Figure 7 - % breakdown of English ITL1 regions by gender

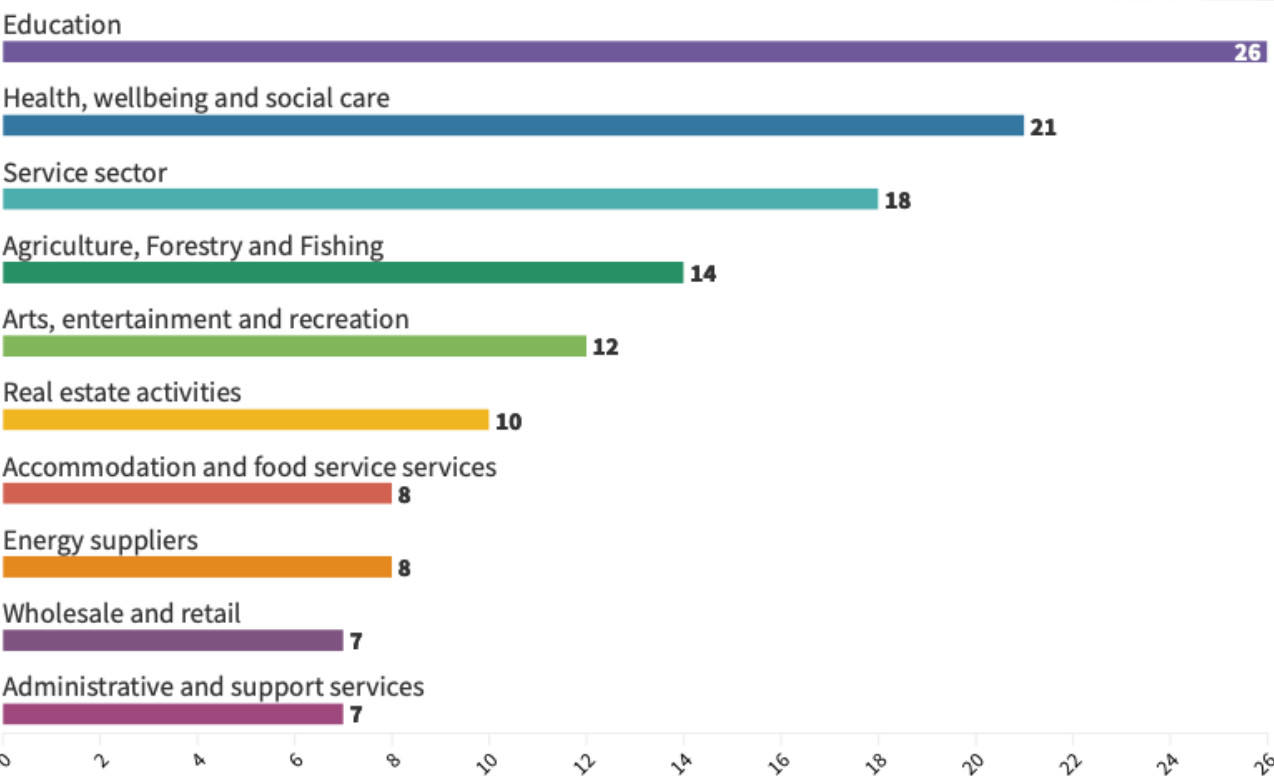


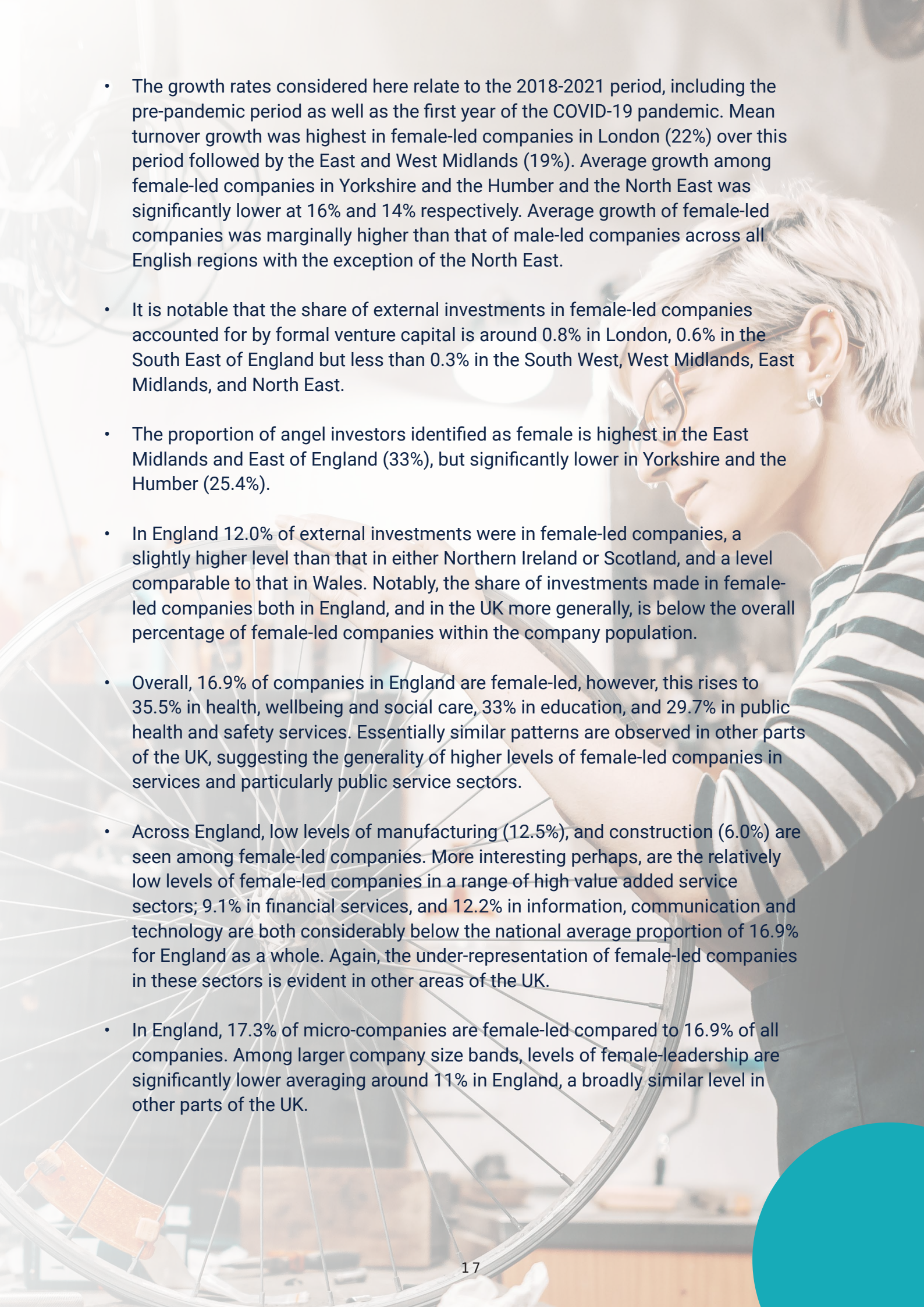
Key English findings

- Figure 7 shows the highest overall levels of female-leadership were evident in London (18.3%), the South East (16.8%), with the lowest proportions of female-led companies in Yorkshire and the Humber (15.6%), and the North East (15.3%).
- Compared with other parts of the UK, most English ITL1 regions have a higher proportion of female-led companies than Northern Ireland and Scotland. Levels of female-led companies in Wales are comparable with that of the highest English regions outside London.
- Overall, 16.9% of companies in England are female-led, however, this rises to 35.5% in health, wellbeing and care, 33% in education, and 29.7% in public health and safety services. Lower levels of female-led companies are evident in England in manufacturing (12.5%), and construction (6.0%).
- We find low levels of female-led companies in a range of high value added service sectors, 9.1% in financial services activities, and 12.2% in information, communication and technology are both considerably below the national average proportion of 16.9% for England as a whole.
- Mean turnover growth was highest in female-led companies in London (22%) over this period followed by the East and West Midlands (19%). Average growth among female-led companies in Yorkshire and the Humber and the North East was significantly lower at 16% and 14% respectively.
- Average growth of female-led companies was marginally higher than that of male-led companies across all English ITL1 regions with the exception of the North East.

- Relatively strong turnover growth was recorded among female-led companies in the sectors where their leadership is concentrated: health, wellbeing and social care, 20%; education, 16%; public health and safety services, 15%; and, other service activities 17%.
- Turnover growth was also highest among micro-companies (1-9 employees) in England which were female-led (22%) with lower average growth rates among larger companies.
- 16.9% of companies in England are female-led, however this figure falls to 8.7% when we consider the proportion of high growth companies which are female-led.
- Looking across the English ITL1 regions, the share of high growth companies which are female-led is highest in the South West (10.9%), and Yorkshire and the Humber (10.1%), lower in the West Midlands (7.0%), and the North East (6.1%). Most notably perhaps, in London, which had the highest overall proportion of female-led companies among the UK regions, the proportion of high growth companies is 8.2%, lower than a range of other English regions.
- Figure 8 shows the top 10 sectors for female-led high growth. This inevitably reflects the overall importance of female-led within each sector. In England, around one in four (26%) high growth firms in education are female-led with a slightly lower proportion (21%) of high growth firms being female-led in health, wellbeing and social care and the service sector (18%).

Figure 8 - % of high growth female-led companies by top 10 sectors



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- The growth rates considered here relate to the 2018-2021 period, including the pre-pandemic period as well as the first year of the COVID-19 pandemic. Mean turnover growth was highest in female-led companies in London (22%) over this period followed by the East and West Midlands (19%). Average growth among female-led companies in Yorkshire and the Humber and the North East was significantly lower at 16% and 14% respectively. Average growth of female-led companies was marginally higher than that of male-led companies across all English regions with the exception of the North East.
 - It is notable that the share of external investments in female-led companies accounted for by formal venture capital is around 0.8% in London, 0.6% in the South East of England but less than 0.3% in the South West, West Midlands, East Midlands, and North East.
 - The proportion of angel investors identified as female is highest in the East Midlands and East of England (33%), but significantly lower in Yorkshire and the Humber (25.4%).
 - In England 12.0% of external investments were in female-led companies, a slightly higher level than that in either Northern Ireland or Scotland, and a level comparable to that in Wales. Notably, the share of investments made in female-led companies both in England, and in the UK more generally, is below the overall percentage of female-led companies within the company population.
 - Overall, 16.9% of companies in England are female-led, however, this rises to 35.5% in health, wellbeing and social care, 33% in education, and 29.7% in public health and safety services. Essentially similar patterns are observed in other parts of the UK, suggesting the generality of higher levels of female-led companies in services and particularly public service sectors.
 - Across England, low levels of manufacturing (12.5%), and construction (6.0%) are seen among female-led companies. More interesting perhaps, are the relatively low levels of female-led companies in a range of high value added service sectors; 9.1% in financial services, and 12.2% in information, communication and technology are both considerably below the national average proportion of 16.9% for England as a whole. Again, the under-representation of female-led companies in these sectors is evident in other areas of the UK.
 - In England, 17.3% of micro-companies are female-led compared to 16.9% of all companies. Among larger company size bands, levels of female-leadership are significantly lower averaging around 11% in England, a broadly similar level in other parts of the UK.

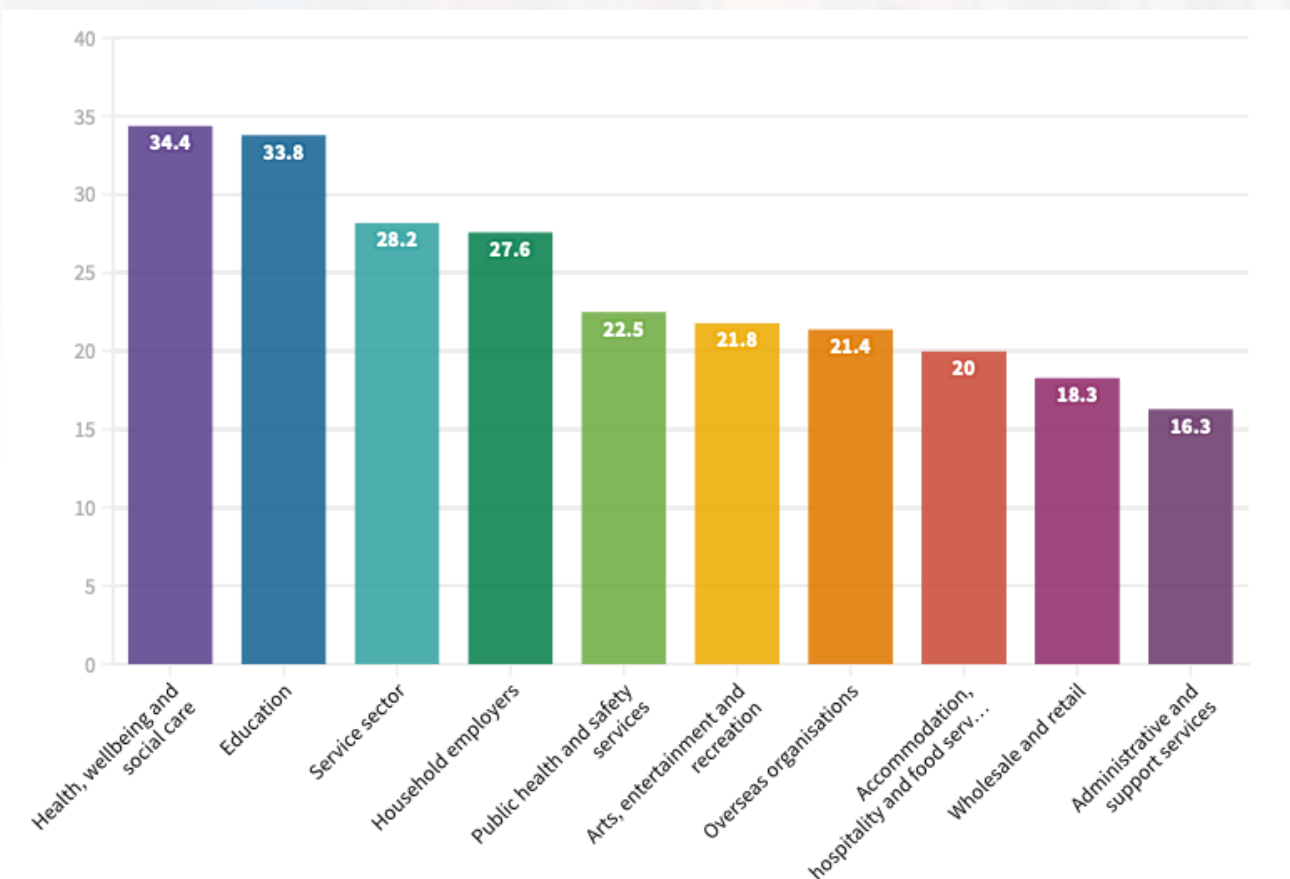
Scotland narrative

In partnership with Dr Emilee L Simmons; Prof. Jillian MacBryde; Prof. Eleanor Shaw; Dr Abdullah Gok; Dr Paul Lassalle; Dr Samuel Mwaura of Strathclyde University and The Hunter Centre for Entrepreneurship

This section of the report provides analysis of Scottish companies in The Gender Index dataset (2022), which examined the leadership of 4.4 million active companies across the UK, illustrating that as of January 2022, 16.8% of companies were stated to be female-led as compared to: male-led (60.3%), mixed (16.5%) and uncertain (6.4%). For Scotland, the average number of female-led companies is 15.4%, which is slightly below the UK average.

Yet, improving the ambitions of women in enterprise is something that is well embedded in Scotland. For example, Women's Enterprise Scotland (WES), has been supporting female entrepreneurs, conducting research and influencing policy to support female-led companies since 2012. This includes co-producing a policy with the Scottish Government, Framework and Action Plan for Women in Enterprise.

Figure 9 - Top 10 sectors by % in Scotland for female-led companies



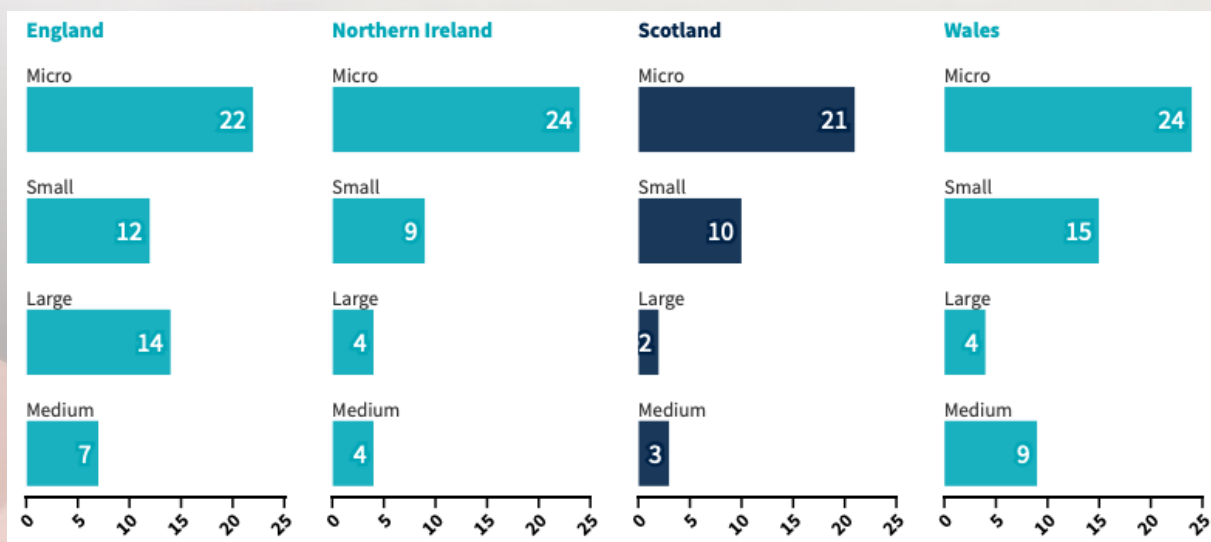
Key Scottish findings

- Scotland has a slightly lower percentage of female-led companies (15.4%) compared to the UK average (16.8%).
- 13.2% of female-led companies are considered “small” (i.e. employing 10-49 people). This is slightly higher than the average across the UK (12.4%).
- Figure 9 shows the highest percentage of female-led companies in Scotland are in health, wellbeing and social care (34.4%) and education (33.8%) which are comparable to other UK nations.
- Apart from the professional, scientific and technical activities sector, revenue growth rates among female-led companies in Scotland in the various sectors have very different patterns from those observed in other UK nations.
- Female-led high growth companies in Scotland (12%) are relatively better represented than in the rest of the UK. (8.7%).
- Average revenue growth rates among female-led companies in Scotland are lower than those observed in other UK nations across all company size bands.
- Of the 34,485 female-led companies in Scotland, 15.7% are considered “micro” in size (i.e., fewer than 9 employees). This is the highest percentage in Scotland, which is in line with other areas of the UK.
- Where we do see a difference is in arts, entertainment and recreation, where female-led companies in Scotland are better represented (21.8%) than other parts of the UK.
- For Scotland, the performance of female-led companies in the relatively high value-added sectors of information, communication and technology & manufacturing are especially noteworthy.

“ For Scotland, the performance of female-led companies in the relatively high value-added sectors of information, communication and technology & manufacturing are especially noteworthy ”

- Of the 34,485 female-led companies in Scotland, 15.7% are considered “micro” in size (i.e., fewer than 9 employees). This is the highest percentage in Scotland, which is in line with other areas of the UK. 13.2% of female-led companies are considered “small” (i.e. employing 10-49 people). This is slightly higher than the average across the UK. England and Northern Ireland have fewer female-led “small” companies with 11.8% and 10.7% respectively. The percentage of female-led companies decreases to just 9.1% and 9.2% for medium and large companies.
- With a turnover growth rate of 17%, female-led companies can be seen to perform slightly better than male-led and mixed-leader companies in Scotland (male - 15%, mixed - 15%).
- Figure 10 shows that when comparing growth rates of Scottish female-led companies against other ITL1 regions by micro company size, Scotland performs slightly lower than the UK average of 18%, with Wales and London leading among the ILT1 regions with 21% and 22% respectively.
- Scottish female-led companies in the public health and safety services sector reported the highest revenue growth rates at 61%.
- Significantly, large female-led Scottish companies fare quite poorly with an average growth rate of 2% compared, in particular, to England where female-led large enterprises reported a 14% growth in revenues.
- Interestingly, in the context of Scotland, female-led companies are performing better in specific sectors compared to others. Some sectors see a higher representation of high growth female-led companies than their average presence in the sector. These include: arts, entertainment and recreation with 24% (21.8% of company in the sector), education with 44% of Scottish high growth companies (33.8% of total companies in the sector), health, wellbeing and social care (38%; compared to 34.4% of total companies in the sector) and the service sector (33%).

Figure 10 - % growth rate by company size and nation



- Conversely, there are sectors in which we observe an absence, or a very limited presence, of female-led high growth companies, including financial services. That is notable especially given that female-led companies represent 9.9% of the companies.
- Sectors where female-led companies are performing above average and are relatively better represented for high growth ventures than in the rest of the UK are administrative and support services with 16%, compared to England (7%), Northern Ireland (11%) but lower than in Wales (21%).
- Interestingly, high growth female-led companies are better represented in specific sectors such as education compared to their average presence in the sector. This suggests that female-led companies in those sectors are well-performing and have more growth potential.
- Compared to other ITL1 regions, Scotland (16.63%) performs slightly better when it comes to high growth female-led companies than the North East of England (14.26%) and Yorkshire (16.21%).
- This is specifically visible in sectors with a high presence of female-led companies, education and health, wellbeing and social care. These sectors are expected to see a higher proportion of female-led companies, and this is a positive point seeing that a share of these companies can be characterised as high growth. However, the numbers remain lower than most other UK regions and against male-led companies.
- In Scotland, 10.8% of external investments were in female-led companies, a lower level than that in either England or Wales (both 12%) and higher than Northern Ireland (8.8%).
- The Gender Index shows that, of the total number of companies (223,985), of which 34,485 (15.4%) are female-led, only 6,980 (3.1%) attracted external investment. This figure sits slightly below the UK average of 3.5%, and for other devolved regions is higher than Northern Ireland (2.6%) and similar to Wales (3.2%).
- Relative to other ITL1 regions, 31.2% of angel investors in Scottish companies are female, placing the region slightly above the UK average (30.2%), and broadly comparable with most other UK regions including the other nations of Northern Ireland (31.2%) and Wales (32.4%).

Wales narrative

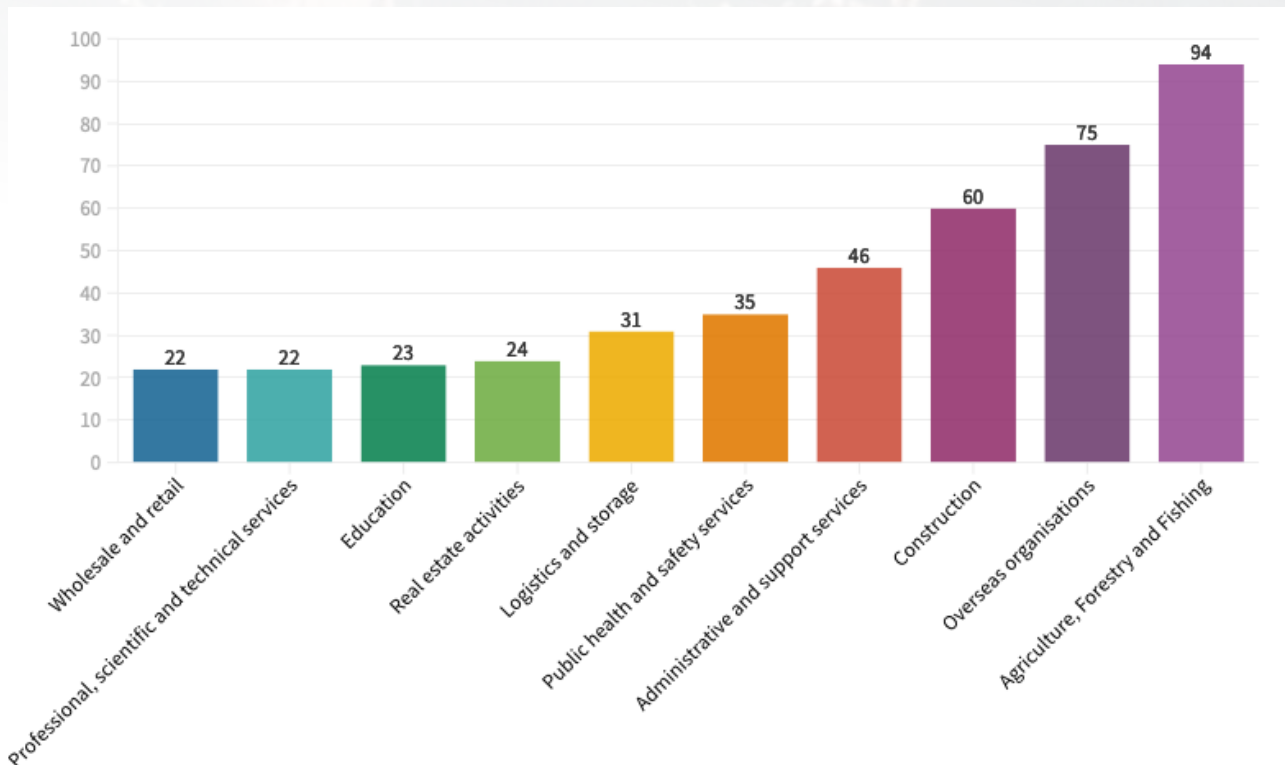
In partnership with Prof. Andrew Henley of Cardiff University

This report presents key findings for Wales from analysis of The Gender Index data on female company leadership. UK Office for National Statistics company demography statistics show that 99.4% of companies in Wales in 2019 were SMEs (250 or fewer employees), with SMEs contributing 38% of private sector company turnover and 62% of employment in Wales.

Improving inclusivity in entrepreneurship has been a policy priority for Wales for over two decades. This was recently revisited in the Welsh Government report Supporting Entrepreneurial Women in Wales (2019), which made a number of recommendations for raising the participation of women in entrepreneurship and company start-up activity.

The achievement of greater diversity in employment is a key priority for the Wales Wellbeing of Future Generations Act. The Gender Index provides a unique new opportunity to track female company leadership and monitor the performance of their companies across Wales in comparison to the wider United Kingdom.

Figure 11 - Top 10 sectors by % turnover growth of female-led companies



Key Welsh findings

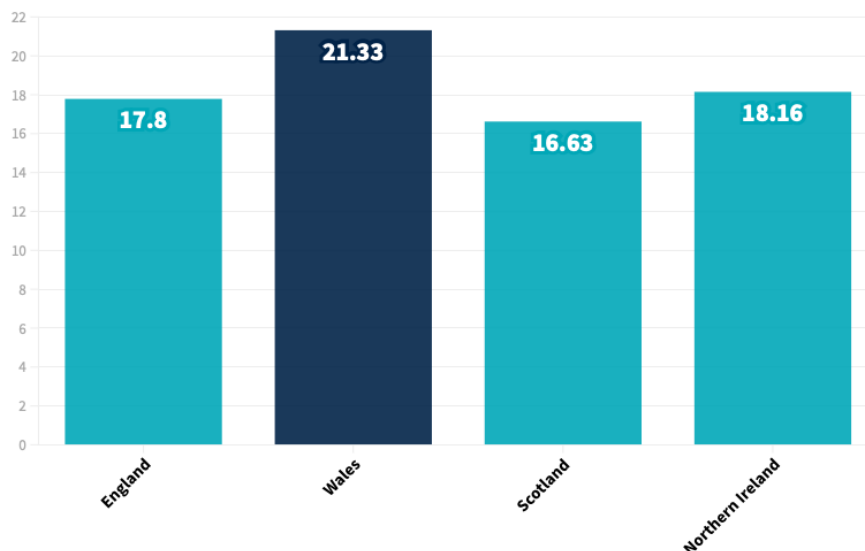
- 2.9% of UK female-led companies are in Wales, in line with Wales' overall share of companies in The Gender Index database. However, this share is below Wales' percentage of the UK population which currently stands at 4.7%.
- Wales ranks second highest among the UK nations with 16.5% of companies in female leadership, and fourth among UK ITL1 regions. Almost 35% of companies involve female leadership, either as sole-leaders or in mixed leadership with men as co-leaders.
- The highest proportions of female-led companies in Wales are in education and health, wellbeing and social care. In both cases around a third of companies are female-led.
- Rates of female-led companies in Wales are highest in the micro size category (under 10 employees), where almost 17% of companies are female-led. Including companies in mixed leadership, 34.6% of micro companies and 38.9% of small companies in Wales involve female leadership.
- Figure 11 shows the top 10 sectors by turnover growth for female-led companies in Wales. The average sector grew by 21.3%. This rate of turnover growth is higher than in the other UK nations. Across all UK ILT1 regions only London (22.2%) shows a higher average increase in female-led company turnover. Female-led companies in Wales outperformed male and mixed leadership companies.
- The highest rates of turnover for female-led companies in Wales are in construction and agriculture, forestry and fishing. Average rates of turnover growth by female-led companies in Wales are highest in the micro size category (under 10 employees) at 24%. This is higher than the corresponding average for male-and mixed-leadership companies.

Female-led small companies (10 to 49 employees) also performed well in Wales achieving a turnover growth rate of just over 15%, well above the corresponding rates in the other UK nations.

“Female-led companies in Wales grew turnover on average by 21%. This rate of turnover growth is higher than in the other UK nations”

- Wales has the highest proportion of female-led 'high growth' companies across the UK nations. Over 12% of Welsh companies achieving growth of at least 20% over three consecutive years are female led, and 30% are either female or mixed led.
- Proportions of high growth companies in Wales with female leaders are highest, at over 30%, in education and in health, wellbeing and social care sectors.
- Compared to other UK nations, Wales has the highest proportion of female led high growth companies in the small size category. 23% of small high growth companies in Wales are female led compared to 21% in Scotland, 16% in Northern Ireland and only 10% in England.
- Figure 12 shows female-led companies in Wales grew turnover on average by 21%. This is somewhat higher than the UK average of 19%, above the average rate in the other UK nations. Across all UK ILT1 regions only London shows a higher average rate of turnover increase than Wales (22%).
- The highest proportion of female-led companies in Wales is in the micro category (under 10 employees), where 16.7% of micro-companies are female-led. This is not as high as in England, but higher than in Scotland and Northern Ireland. Wales has a higher proportion of female-led medium and small companies than the other UK nations, at 10.2% and 13.9% respectively.
- Including companies in mixed leadership, 34.6% of micro companies and 38.9% of small companies in Wales involve female leadership, and these combined percentages are higher than in the other UK nations. Wales also performs well in the large company category. 12.0% of large companies in Wales are female-led, above the UK average of 11.2%. This is the highest proportion across all the UK nations.

Figure 12 - Female-led turnover % growth by nation



- 
- With a 21% average increase in turnover, female-led companies in Wales outperformed both male-led and mixed-leadership companies in Wales with average turnover growth rates of 16% and 18% respectively.
 - Also of note are generally low proportions of female-led companies in financial services; manufacturing; information, communication and technology; agriculture and real estate. In all these cases the proportion is between 10% and 15%. At the other end of the range, the highest proportions of female-led companies in Wales are in education and health, wellbeing and social care, where in both cases around a third of companies are female-led.
 - The fastest growing female-led companies in Wales are in the agriculture, forestry and fishing sector, in the construction sector and in administrative and support services, all growing by at least 40% on average.
 - The highest proportions of female-led high growth companies in Wales are in education and health, wellbeing and social care sectors. Here female-led companies account for 33% and 31% of all high growth companies respectively.
 - In Wales the proportion of female-led high growth companies in the small size band is 22.5%. This is over twice the same proportion in England.
 - Wales has the highest proportion of female led high growth companies across the UK nations, at 12.4%. This compares to a UK average of 8.8%.
 - The proportions in the larger size bands were much lower. In the medium and large size bands they were only 3% and 8% of companies respectively.
 - Just over 4,000 Welsh female-led companies, amounting to 19.4% of all those in Wales, were able to obtain external capital. This compares to a rate of 21.1% for the whole UK. This level of success for Welsh female-led companies (at almost 1 in 5) is encouraging, as it is higher than the overall 16.5% rate of female-leadership of companies in Wales.
 - Welsh companies have a total of just over 62,000 investors, of whom just under one third are female. As the figure shows, this proportion is very similar to that elsewhere across the UK (outside London). Wales ranks 5th out of the 12 English regions and devolved nations. The share of female angel investors in Wales is 2.9% of the UK total, identical to the Welsh share of all female-led companies across the UK.

Northern Ireland narrative

In partnership with Prof. Nola Hewitt-Dundas of Queens University, Belfast

The Northern Ireland Department for the Economy's economic vision: 'A 10X Economy: Northern Ireland's decade of innovation', outlines an ambition of delivering a 'ten times better economy' through collaboration and innovation. While an enhanced competitive position is part of this, so too is a more sustainable and inclusive economy, characterised by positive economic, environmental and societal outcomes.

Almost 25 years since the 1998 Good Friday Agreement, which established the basis on which Northern Ireland would be governed, economic progress has been strong. Today, Northern Ireland is ranked as the number one international investment location for US cybersecurity companies and Project Stratum, a project to transform broadband connectivity, will position Northern Ireland as the highest full fibre connected region in the UK. Belfast is ranked in the top ten of Foreign Direct Investment and The Next Web's Tech Cities of the Future for 2020/21.

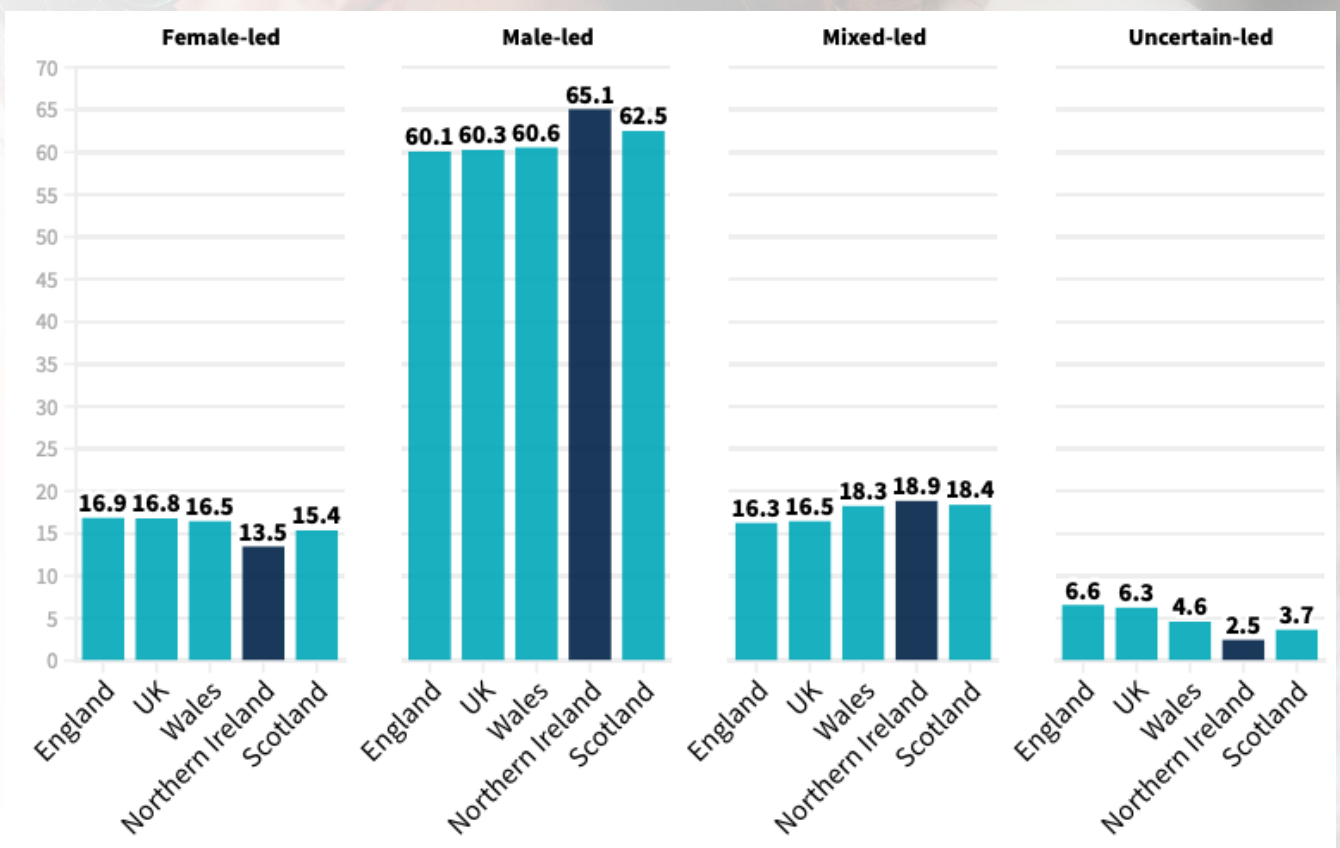
The period covered by this report includes the 12-months from February 2021 to January 2022. During this period, an active population of 4,412,017 UK companies was recorded, with 64,767 (1.46 %) of these in Northern Ireland. Northern Ireland, like other parts of the UK, is dominated by micro-companies (less than 10 employees) accounting for 57,237 or 88.3% of all companies, with only 7,530 (11.7%) with 10 or more employees.

The Gender Index provides a basis for informing enterprise policy about the gender breakdown of company leadership in Northern Ireland compared to other parts of the UK, and a better understanding of performance of these companies.

“If Northern Ireland had a similar rate of female leadership to that in England... it would translate to an additional 3,134 female-led companies”

- Northern Ireland has the lowest proportion of female-led companies at 13.5% and the highest share of male-led companies at 65.1%. This means that if Northern Ireland had a similar rate of female-leadership to that in England (at 18.3%), it would translate to an additional 3,134 female-led companies in Northern Ireland.
- While this may seem small in terms of percentages of female-led companies, the actual numbers are stark. If female-led companies accounted for a similar proportion of the population of companies found in England, it would mean that the gender-leadership distribution of companies in Northern Ireland would have an additional 3,134 female-led companies, with a rate of gender-leadership similar to that in Wales and Scotland, equating to an increase of 1,968 and 1,256 female-led companies, respectively.
- Of 64,767 companies in Northern Ireland, 8,718 of these are female-led, 42,161 are male-led, 12,270 are led by a mixture of female and men and a further 1,618 for which gender identification is not possible.
- Figure 13 shows the gender imbalance between male and female-led companies. Most striking is the dominance of male-led high growth companies within Northern Ireland. These account for an additional 12.6% of companies relative to the proportionate share of male-led companies. In contrast, female-led companies in Northern Ireland were under-represented by 3.7 percentage points, relative to the share of female-led companies.

Figure 13 - UK nations by % gender



Key Northern Irish findings

- Figure 14 shows female-leadership in Northern Ireland varies by sector, being highest in education; health, wellbeing and social care; service sectors; and public health and safety services. Those sectors with much lower shares of female-leadership are mining, quarrying, construction and energy suppliers. This sectoral variation is similar to that found elsewhere in the UK.
- Examining turnover growth by company size, female-led and mixed-gender led small and large companies grew faster than male-led companies, with similar rates of growth for medium-sized companies, irrespective of gender-leadership.
- Only 0.17% of companies in Northern Ireland are defined as achieving high growth. Of these companies, 9.8% of high growth companies were female-led compared to 77.7% of high growth companies being male-led.

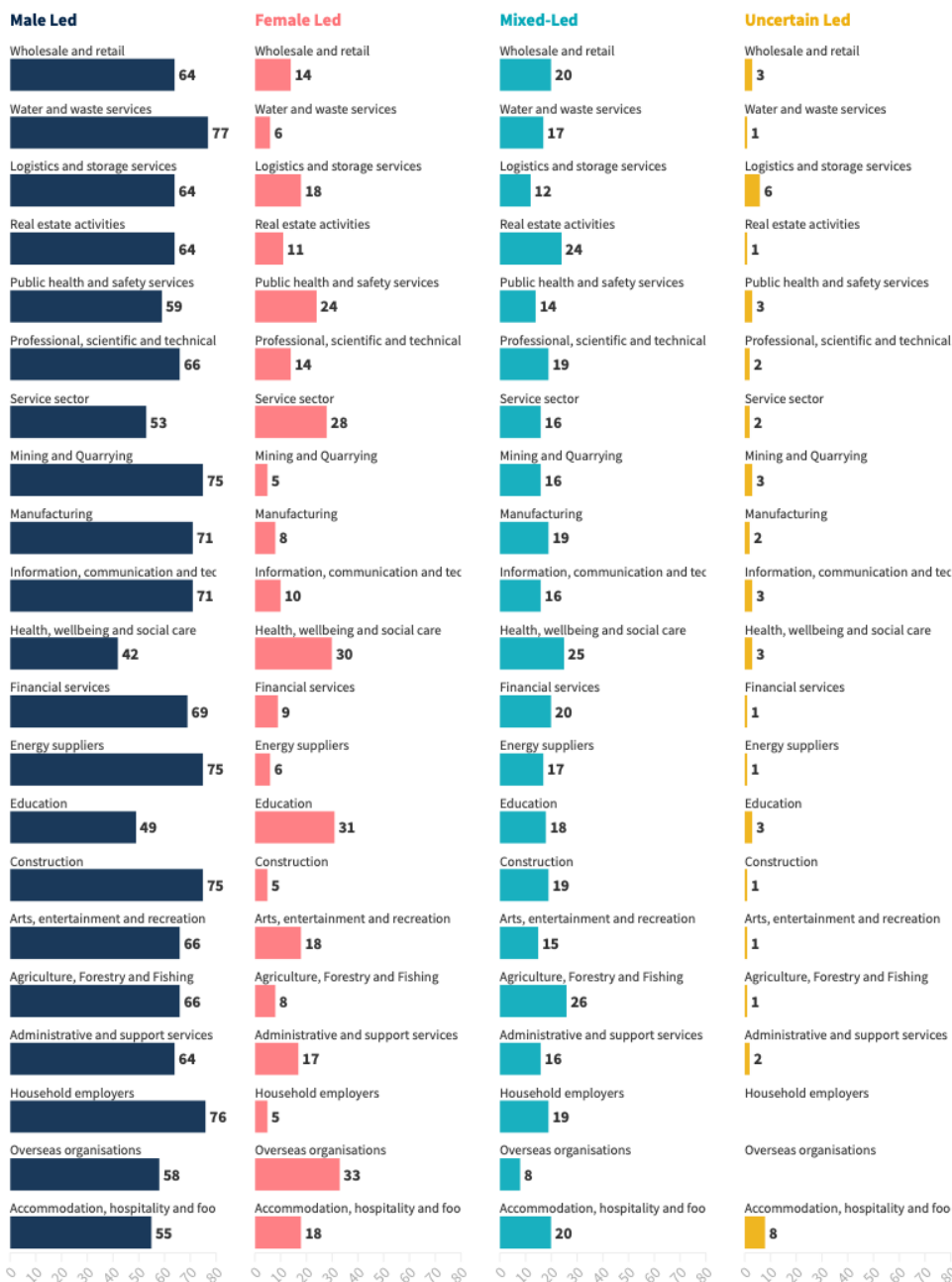


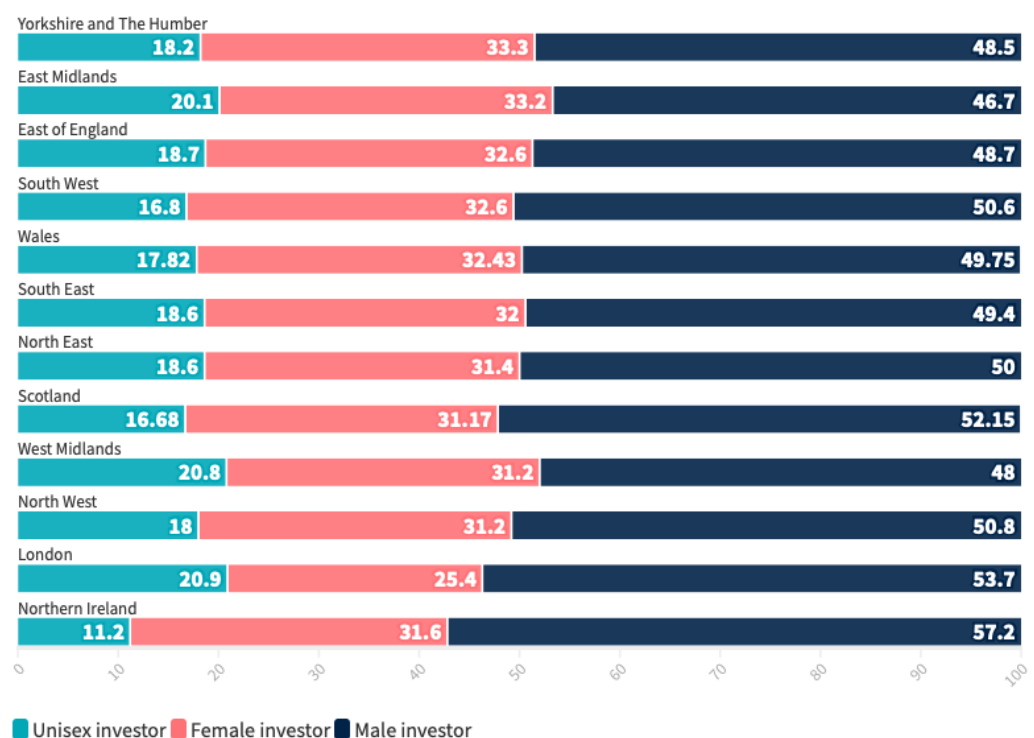
Figure 14 - Northern Ireland sector breakdown by % and gender

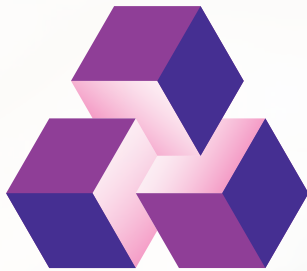
- 29.7% of companies in Northern Ireland received external investment in the period, which is similar to investment levels across the UK. In Northern Ireland however, a lower proportion of external investments were made to female-led companies at 8.8% compared to 10.8% in Scotland 12.0% in England and 12.0% in Wales.
- External investment is dominated by angel investors (79.2%) and corporate share purchases (20.8%).
- In Northern Ireland, a total of 19,251 companies have received external investment. At 29.7% of all companies, this is on par with the extent of external investment across the UK. In Northern Ireland however, a lower proportion of external investments were made to female-led companies at 8.8% compared to 10.8% in Scotland, 12.0% in England and 12.0% in Wales. Again, male-led companies were disproportionately more likely to receive external investment.

For example, while male-led companies account for 65.1% of all companies in Northern Ireland they received 70.9% of external investments. Similarly, whereas female-led companies account for 13.5% of companies in Northern Ireland, only 8.8% of external investments were in female-led companies.

- This pattern of investment is largely similar across the UK , albeit with Northern Irish female-led companies being slightly more likely to receive external investment through corporate share purchases (20.8%) and slightly less likely to receive angel investment (79.2%).
- Figure 15 shows for Northern Ireland, the proportion of female individual investors is similar to that elsewhere across the UK at 31.6%.

Figure 15 -
% of Individual
investors by
ITL1 region
and gender





NatWest Group

NatWest Group is a relationship bank for a digital world. We champion potential; breaking down barriers and building financial confidence so the 19 million people, families and businesses we serve in communities throughout the UK and Ireland can rebuild and thrive. If our customers succeed, so will we.

www.natwest.com/business/business-services/women-in-business.html

- **Why is NatWest supporting The Gender Index:**

Getting more funding to female entrepreneurs and unlocking their untapped potential is a priority for NatWest. We know that women still don't receive all the support they need. Having access to data is an important step in ensuring that we are able to harness those starting up in and also scaling up in business, and to ensure we are able to provide innovative support for businesses across the UK.

- **NatWest programmes and initiatives to support female entrepreneurs and SME's:**

As longstanding supporters of Women in Business we understand the various challenges that women might face when setting up or running their business. Through our Business Builder and Accelerator programmes, and with over 1,000 Women in Business Specialists across the UK who provide tailored support for women looking to start up and succeed in business, we are determined to play our part in helping female entrepreneurs achieve their ambitions.

For more information, search for: 'NatWest Women in Business'



Jennifer Bailey (right) at her Manchester headquarters. Image © Getty Images

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AWS provides financial services institutions the ability to differentiate today and adapt to tomorrow by empowering them to modernise their infrastructure, meet rapidly changing consumer behaviours and expectations, and drive business growth—all while supporting the most stringent security, compliance, and regulatory requirements.

aws.amazon.com/financial-services/

- **Why is AWS supporting The Gender Index:**

The Gender Index (TGI), powered by mnAI, is leveraging unique data sets, and Amazon Web Services (AWS) analytics services, to better understand the size of the gap between male and female led businesses in the UK, the forces driving this gap, and opportunities to better support women-led businesses to close the gap.

“As AWS, we want to demonstrate how data can be used for good in the UK and beyond. We are happy to be supporting our customers in the financial sector, and beyond, to leverage TGI’s data and insights to help women-led SMEs thrive.” – Ambreesh Khanna, Director, GFS ProServe, AWS.

- **AWS programmes and initiatives to support female entrepreneurs and SME’s:**

AWS empowers millions of businesses around the world to create value and drive innovation through low cost, on-demand cloud solutions. We’re committed to creating the conditions for organisations of all sizes and in all industries to succeed.

In April 2021, AWS launched the AWS Digital Innovation Program in the UK which is designed to help small and medium sized businesses to bring ideas to market faster. The program was first launched in the East of England, with regional community group Tech East and is expanding across the UK.

The AWS Activate programme provides startups with a host of benefits, including AWS credits, AWS support plan credits, and architecture guidance to help grow your business and get started quickly on AWS.[1] Startups can activate benefits that are designed to give them the right mix of tools, resources, and expert support so they can succeed with AWS while optimising performance, managing risk, and keeping costs under control.

In November 2021, AWS launched a number of new programmes for startups, including the AWS Startup Loft Accelerator, a 10-week, virtual, equity-free acceleration program for early-stage startups in EMEA; the AWS Space Accelerator, a four-week business support program that is open to space startups seeking to use AWS to help solve the biggest challenges in the space industry; and the AWS Healthcare Accelerator, which helps startups to build on AWS to develop solutions that tackle some of healthcare’s biggest issues.

AWS has also committed to investing hundreds of millions of dollars to provide free cloud computing skills training for 29 million people by 2025 – reaching people from all walks of life and all levels of technical knowledge, in more than 200 countries, including the UK. As part of this initiative, AWS launched a number of learning and skills programs in the UK, including AWS Educate, AWS Academy, and AWS re/Start.

[1] AWS Activate Credits are subject to the AWS Promotional Credit Terms & Conditions.

**Goldman
Sachs**

10,000 small businesses

Goldman Sachs *10,000 Small Businesses* UK is an investment to help entrepreneurs create jobs and economic opportunity by providing business and management training to high-growth small business owners in the UK.

www.goldmansachs.com/citizenship/10000-small-businesses/UK/index.html

- **Why is Goldman Sachs *10,000 Small Businesses* UK supporting The Gender Index:**

Goldman Sachs has a long-standing history of supporting women's economic empowerment in communities around the world. Through our sector-leading *10,000 Small Businesses* and *10,000 Women* programs, we help to move the needle for women entrepreneurs globally.

The Gender Index is committed to understanding the economic, social and community impact of women entrepreneurs in the UK. By improving visibility of the SME landscape, they know that support for women entrepreneurs can be tailored and enhanced.

We are proud to support The Gender Index to achieve our shared mission: improving the operating environment for women entrepreneurs in the UK, and ultimately closing the gender gap.



LinkedIn: [@Goldman Sachs](#)

Instagram: [@Goldman Sachs](#)

Twitter: [@GS10KSmallBiz](#)

Strategic Partners:

mnAI

Website - www.mnai.tech

Twitter - [@ThisIsmnAI](https://twitter.com/ThisIsmnAI)

LinkedIn - www.linkedin.com/company/mnai

mnAI is a multi-award-winning data, insight and analytics platform that uses proprietary technology to supply enhanced research, analytics and due diligence on all UK companies. With 10bn+ data points covering 8m+ UK companies, our clients trust us to protect, support and enhance their business operations.

- **Why is mnAI supporting The Gender Index:**

We believe that technology can empower rapid change and are proud to work with leading organisations who share these values.

The creation of a national, real-time gender disaggregated dataset is game-changing and is an excellent example of the value of big data in driving better decision making.

From strategic insight to future engagement, the provision of real-time data will help develop a baseline for policy makers, corporates and interested parties; enabling improvements in engagement to be targeted, measured and recorded.



Photo credit: Jeremy Sutton Hibbert



Website - www.sbv.com/uk

Twitter - [@SVB_UK](https://twitter.com/SVB_UK)

LinkedIn - www.linkedin.com/company/silicon-valley-bank

Silicon Valley Bank (SVB) helps innovative businesses and their investors move bold ideas forward, fast. SVB provides targeted financial services and expertise with commercial and international banking services. From seed to IPO and beyond, SVB helps address the unique needs of innovators to increase their probability of success by fueling innovation for a better world.

- **Why is SVB supporting The Gender Index:**

We believe that the UK economy benefits from people with diverse backgrounds, experiences, opinions and ideas, and inclusiveness and gender equality are key to the UK's socio-economic success. Silicon Valley Bank is proud to support The Gender Index in helping to benchmark the UK's female business community and by showcasing how we can make positive changes and progress on gender equality, access to finance, enhancing female leadership, female entrepreneurship and increasing the talent pipeline for women of all ages. SVB is dedicated to working with partners like The Gender Index to help create change and provide a future where we can build a more inclusive and just world.

- **SVB programmes and initiatives to support female entrepreneurs and SME's:**

At SVB, we recognise that 'women in business' is great for business! We aim to increase women in senior leadership and create a more gender equal world both in and outside of SVB. Our commitment to a more gender balanced workforce helps increase diversity of thought, enabling our company to develop more innovative products and services and ultimately deliver on our purpose of fueling the innovation economy for a better world. This all translates to better outcomes for our candidates, colleagues, clients, communities and importantly, our shareholders. SVB has positioned gender equality as a strategic priority and successfully delivered an impactful program that is delivering results that are embedding sustainable change to strengthen our business and position SVB as an enabler of change. The Gender Index is a key partnership for SVB in driving gender equality across our ecosystem and UK society.

Strategic Sponsor:

SHOOSMITHS

Website - www.shoosmiths.co.uk

Twitter - [@Shoosmiths](https://twitter.com/Shoosmiths)

LinkedIn - www.linkedin.com/company/shoosmiths

Shoosmiths is a major law firm operating from 13 locations across the UK including Scotland and Northern Ireland delivering deep legal expertise across all core practice areas and industry sectors. Based on deal volume their corporate team is the 2nd most active in the UK (Experian Legal Adviser league tables 2021) and its Venture Capital team is the most active in the UK (Pitchbook 2021).

- **Why is Shoosmiths supporting The Gender Index:**

Shoosmiths wants to play a part in ensuring greater gender equality in the SME space and recognises the need for improved quality of data and analysis to identify where there are gender gaps.

This important work will benefit the Shoosmiths' spHERE network, a community supporting female founders and venture capitalists within the venture capital space.

spHERE's goal is to help women to be successful through creating a forum for meaningful networking opportunities, helping to address the disparities that exist between female and male entrepreneurs. Shoosmiths will also use the mnAI data internally to review its own supply chain.



Associate partners:



GREENGAGE



TRIBUS

Data sources and methodology

1.1 Company analysis

The Gender Index was conceived to establish a benchmark of the current level of activity undertaken by companies, from large to SME to start-up, across the UK which are owned or led by female founders. The analysis is based on companies recorded within Companies House and utilises a combination of information made freely available under the Open Government Licence 3.0 and mnAI's proprietary technology that autonomously extracts, processes and cleanses unstructured data. Machine learning algorithms are used to derive directors' gender and, for smaller companies, business size.

The results have been compiled from an analysis of 8,498,990 UK companies held within the mnAI database. Of these 3,617,358 were dissolved leaving 4,881,632 companies which were active during the period 1st February 2021 to January 31st 2022. Of the active UK companies, 469,615 belonged to the following classifications and were removed:

- o dormant and non-trading companies
- o insolvent companies and companies in administration
- o companies with no officers
- o companies with no SIC codes
- o overseas companies

This leaves an active population of 4,412,017 companies tracked during the period of 1st February 2021 and 31st January 2022 which provide the basis for the current analysis.

Companies were categorised by size using government standard taxonomies: Micro: with 1-9 employees; Small: with 10 - 49 employee; Medium: 50 – 249 employees; and, Large: 250 or more employees. Categorisation was undertaken using a combination of data sources including a variety of statutory filings which, when combined with mnAI's proprietary data, provided the basis of the research. All firms under 12 months old were categorised as Micro.

ITL regions are as per Eurostat definitions. Devolved authorities, English regions, local authorities and LEP boundaries are per Office of National Statistics boundaries.

Turnover growth and high-growth analyses are based on estimated turnover growth over a three year period. "High growth" is calculated as per the OECD definition of 72.8% growth over a three year period and excludes any company that has less than 10 employees. We also removed any company that had a turnover of less than £1,000.00 in year one to reduce large % variations in growth. For micro and small companies, there is no reporting requirement to submit revenue figures within their statutory accounts. Subsequently, turnover and "high growth" for these firms is calculated using machine learning algorithms that predict revenue for companies. This predicted revenue is then used to track growth using the OECD definition as outlined above. For medium and large enterprises, "High growth" is based on a company's turnover as reported within their statutory accounts.

Standard Industry Classification codes as defined by the Office for National Statistics 2007 were used to categorise sectors. Sector titles have been amended as follows:

SIC Title	Revised SIC Title
Accommodation, hospitality and food services	
Activities of extraterritorial organisations and bodie	Overseas organisations
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	Household employers
Administrative and support services	
Agriculture, Forestry and Fishing	
Arts, entertainment and recreation	
Construction	
Education	
Electricity, gas, steam and air conditioning supply	Energy suppliers
Financial and insurance activities	Financial services
Human health and social work activities	Health, wellbeing and social care
Information and communication	Information, communication and technology
Manufacturing	
Mining and Quarrying	
Other service activities	Service sector
Professional, scientific and technical activities	Professional, scientific and technical services
Public administration and defence; compulsory social security	Public health and safety services
Real estate activities	
Transportation and storage	Logistics and storage services
Water supply, sewerage, waste management and remediation activities	Water and waste services
Wholesale and retail trade; repair of motor vehicles and motorcycles	Wholesale and retail

A1.2 Directors analysis

The total number of directors analysed within the 4,412,017 active companies was 6,917,693 with the following breakdown:

- Male: 4,608,263
- Female: 1,818,618
- Uncertain gender: 465,383
- Corporate: 25,429

For the purposes of the report, corporate directors were removed from the calculations leaving 6,892,260 individuals. 'Uncertain' labels are assigned where there is no additional data to support the male or female identification of a director: ie., Alex Sam Thompson, Harley Smith etc.

When assigning a gender of ownership to a company, the following rules were applied:

- Where male or female directors are more than 50.1% of the total the corresponding gender is identified and applied as either "female-led" or "male-led".
Where male and female directors are in equal number, a "mixed-led" label is applied
- Where unisex or corporate directors are identified and there are no other values to indicate a gender preference, an "uncertain-led" label is applied.

A1.3 Investor analysis

mnAI tracks 1,242 Venture Capital (VC) and Private Equity (PE) firms across the UK, broken down as:

- Venture Capital: 583
- Private Equity: 659

Prior to The Gender Index data being collated, ownership of all 1,242 VC and PE firms were manually checked and updated. In the investment analysis we show four types of investor:

- Angel Investors: defined as a shareholder other than an officer
(ie: a founder of a company is not an angel investor despite holding shares)
- Corporations: defined as a limited company which owns shares in another company
- Private Equity: defined as a private equity firm
- Venture Capital: defined as a venture capital firm

A1.4 National and regional reports

The national reports were written by:

Nation	Business School	Professors
England	Warwick Business School and The Enterprise Research Centre	Prof. Stephen Roper
Scotland	Strathclyde University and The Hunter Centre for Entrepreneurship	Dr Emilee L Simmons; Prof. Jillian MacBryde; Prof. Eleanor Shaw; Dr Abdullah Gok; Dr Paul Lassalle; Dr Samuel Mwaura
Wales	Cardiff University	Prof. Andrew Henley
Northern Ireland	Queens University	Prof. Nola Hewitt-Dundas

With thanks

It would not have been possible to produce this report, the website and the associated collateral without the support of our partners, sponsors, associates and suppliers. We thank everyone who has contributed, but particularly those listed on this page.

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Emilee Simmonds
Erin Platts
Gareth Samuel
Helen Burnell
Helene Martin Gee
Jacob Armitage
James Prout
Jillian MacBryde
Jo Forster
John Anderson
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Julie Kapsalis
Karen Allen
Kat Forsyth
Kitty Ussher
Laura Ellis

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Stephen Porter
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Greengage
Everywoman
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Silicon Valley Bank
NatWest
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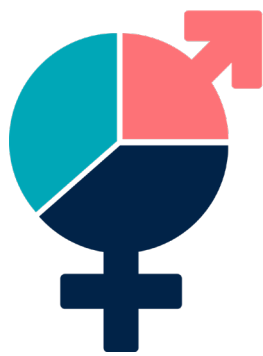
Jill Pay



John Cushing



Designed by Aaron Slater



The
Gender
Index

