

JEDI Investing Data: The Opportunities

Headline: Diverse Teams Outperform

- Diverse teams are **45% more likely** to improve market share
- Cognitive diversity can make teams up to **66% more productive**
- Publicly listed companies in Latin America with higher female representation yielded **44% higher ROI and 47% higher profit margins**
- Companies with the highest levels of racial and ethnic diversity at the executive level **outperform in terms of profitability by 36%**
- In Canada, a **1% increase in ethnocultural diversity** was associated with a 2.4% increase in revenue
- Gender-diverse investing teams have **20% higher net IRRs in global emerging markets**
- **+36% increased likelihood of industry-leading profitability** by companies with the most diversity on executive leadership teams
- Having more female partners at US VC firms leads to **9.7% more profitable exits and 1.5% higher overall fund returns** annually.

Headline: Diverse Entrepreneurs Are Bankable

- Teams of diverse startup founders create **63% better valuations than all-male, all-white teams**
- 64% of new women-owned businesses in the US are **started by women of colour**
- Black women start **6X more businesses than average in the US**, creating 1.4 million jobs
- As of 2013, more than 1 in 10 women-owned businesses in the US were owned by Latinas, and these 944,000 firms totalled **\$65.5 billion in receipts**.
- More inclusive workplaces in Australia could mean **AU\$5B in additional GDP** from more creativity and innovation
- Australian Aboriginal and Torres Strait Islander-owned businesses earn over **\$1B/year with revenues growing 12.5% annually**
- Advancing **women's equality in Asia-Pacific** could add **\$4.5T to the collective annual GDP in 2025** - 12% more than its base-case growth trajectory
- **73% of Canadian investors** want a portion of their portfolio invested in organisations providing opportunities for advancement of women and diverse groups
- **+\$1.8T excess profits generated from 2003-2019** by companies with a female CEO

JEDI Investing Data: The Reality

Headline: Teams Are Still Largely Homogeneous

- 96.5% of Canadian public companies have **no Indigenous representation on their board of directors**. 97.5% have no Indigenous representation in senior executive positions.
- **Afro-Brazilians account for just 6% of managers**, despite making up 36% of staff at the top 500 Brazilian companies. **And 51% of the population**.
- Of the 179 managers and CEOs of Germany's 29 Fortune Global 500 companies, **just 2 are not white**. And none are black.
- Of the **3,755 UK investment management staff surveyed by the Diversity Project**, 2% were from African or Caribbean backgrounds. And of 650 investment managers, under 1% identified as Black African, Caribbean, or Black British.
- **There were no Black senior executives in any of the FTSE100 companies in 2020**.
- **11% of top management at South African companies** is Black African, while 62% are white. Women made up only 19% of directors at Johannesburg Stock Exchange listed companies in 2017.
- 83% of pension fund trustees are male, and **73% of UK pension fund trustee boards have no ethnic diversity**.
- **33% of Australian private capital investment firms** have no women on their investment teams.
- Women in Asia are **70% less likely than men** to be in the labour force.
- Only **58% of companies in Southeast Asia** have some form of D&I program.

Headline: Not Enough Capital Is Flowing to Gender + JEDI

- Black and LatinX women founders **received <0.5% of total VC investment in the US in 2020** and just **0.02% in the UK**
- In Latin America and the Caribbean, there is a **US\$5B credit gap for women-led micro-enterprises** and a **US\$93B credit gap for women-led small and medium-sized enterprises**.
- Women own **1.2-1.4M micro-enterprises and SMEs** in the region but face higher barriers to financing
- As of 2016, the LAC impact investing field had invested **only 10% of capital into women-led businesses**.
- In Africa, **expat bias means local founders' potential is left untapped**. More than \$1B is invested in Africa startups annually. But in Kenya, where \$16M was raised in 2019, only 6% went to local founders who are closest to the needs of the communities.

JEDI Investing Data: The Risks

The US economy lost **\$16Trillion** in the last 20 years due to discrimination in Black wages, education, housing and investment.

Banks with greater female board representation saved \$7.48M a year in financial misconduct fines.

Addressing racial/ethnic and gender discrimination could yield **US\$5T in additional GDP** over the next five years for the US, and a **AU\$12.7B dividend annually** in Australia.

90% of employees from underrepresented groups – and 57% of all employees in Southeast Asia said they would consider leaving their job to work for a more inclusive organisation. That's a replacement cost of over **\$25B a year.**

In a McKinsey survey of **1,000 companies in 12 countries**, companies lacking in diversity were **29% more likely to underperform.**