

# Women-led Anthemis raises \$700M for embedded finance startups while modeling diversity

Article

**The news:** The UK-based, female-led investment platform **Anthemis Group** raised **more than \$700 million**, bringing the firm's **total AUM to \$1.2 billion**. It will continue to invest in pre-seed through Series B embedded finance startups and also fund early stage fintechns.

**Who is Anthemis?** The investment firm heavily promotes its progressive values of diversity and inclusivity. Its vision statement **includes** building “one of the world’s leading diversified financial services companies, with a commitment to diversity, equity, and inclusion as a blueprint for the economy.”

To that end, the company is **working to improve gender imbalances in financial services**.

- Its first ESG-focused SPAC, Anthemis Digital Acquisitions—which debuted on Nasdaq in November, closing at \$230 million—is led by **Anthemis founder Amy Nauiokas and an all-women management team**.
- In September, the firm **expanded** its **Female Innovators Lab** in partnership with **Barclays** into the UK and Europe.
- **Nearly one-quarter (23%) of Anthemis’ portfolio companies are founded by women.** (In the industry overall, companies with solely female founders **raised just 2.2% of all venture funding** this year.)
- **Thirty-nine percent of Anthemis’ portfolio companies** are led by women or executives who are Black, Indigenous, or people of color.

**What are its investments?** Anthemis has made **more than 150 investments** in fintechns including **Betterment, eToro, Currency Cloud, The Climate Corporation, Carta, and Happy Money**.

- Early stage investments include **Pipe**, a recurring revenue trading platform; **Weavr**, an embedded banking provider for digital innovators and fintechns; and **Atomic**, an investing API for fintechns and banks.
- Venture investments include **Branch**, which bundles home and auto insurance; **Eigen**, an intelligent document processing provider; and **LocoNav**, a telematics-based fleet management platform.

**What problem is it solving?** Fintech has a gender diversity problem. As Deloitte **put it**, “It starts to look like an industry founded for men, run by men, making products for men.”

- **Too few women work in fintech companies.** According to a 2018 LendIt [survey](#), only 37% of fintech employees are female.
- **Too few fintech companies have female founders, or even female leaders.** Only 17% of senior fintech roles are [held](#) by women.
- **Too few female-led fintechs get funding.** A recent HBR study found that without diverse leadership, women are 20% less likely than straight white men to [win](#) endorsement for their ideas, which costs their companies crucial market opportunities. In 2019, companies with female CEOs [represented](#) 11% of all venture capital deals made globally. (This increases to 20% if a female founder is included.)
- **Females are also under-represented among fintech users.** A BIS global survey [shows](#) that while 29% of men use fintech products and services, only 21% of women do. Oliver Wyman [estimates](#) this unmet opportunity leads financial services firms to **forego at least \$700 billion in revenue each year.**

**Why it matters:** Diverse thinking is critical to how fintechs understand unmet needs in underleveraged markets and how they innovate.

There's strong evidence of the value women bring to businesses. The Credit Suisse Research Institute [reports](#) that companies with at least one woman on the board **perform 26% better than those with male-only boards**, while Forbes [found](#) **female entrepreneurs generate 20% more revenues** than their male counterparts, despite receiving **50% less venture capital funding.**

More women are entering fintech, but biases persist, and systemic barriers hinder women's advancement. Steps that financial services companies can take toward change include:

- **Addressing the challenge of getting females into STEM-related studies**—one common route to jobs in fintech.
- **Promoting internal diversity** by making each individual responsible for taking smaller actions that, collectively, will change their company's culture.
- **Innovating with customer needs in mind.** Oliver Wyman recommends that companies review gender-disaggregated data and talk to customers to understand the unmet needs of women.

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# Ways in Which Their Company Is Measuring Diversity in 2021 According to US C-Level Executives, Jan 2021

*% of respondents*

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Profile/racial makeup of entire workforce

65%

Profile/racial makeup of job candidates/applicants

33%

Profile/racial makeup of board and/or company leadership

27%

Percentage of minority- and women-owned businesses we do business with

19%

Primarily in other ways

9%

We won't measure diversity in 2021

13%

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Note: n=150

Source: West Monroe Partners, "Quarterly Executive Poll," Jan 20, 2021

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