THE AFRICAN WOMEN IMPACT FUND ("AWIF")

Empowering women, driving sustainable change
**The Challenge**

**Ongoing gender bias amongst capital allocators**

Lack of diversity among fund managers is not only a pipeline problem, but there are also systemic barriers and investor biases at play.

Gendered stereotypes and social expectations about women’s role in society act as impediments to women’s entrepreneurship.

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Less than 1.3% of the $69.1 trillion global financial assets under management are managed by women and people of colour.

Women-led businesses receive only 7% of private equity (PE) and venture capital (VC) in emerging markets.

African women in senior roles account for just 7.6% in private equity.

Efforts are predominantly focused at a micro (SME) level. A bottom-up approach ignores the need for policy framework (macro top-down) changes to achieve a reduction of the gender gap.

Traditional investment and operational due-diligence and risk assessment favour established asset managers, typically led by men.

Many first-time fund managers require more than just an investor who provides capital; need LPs willing to spend more time.

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AWIF Mission
To strengthen economic empowerment and financial inclusion of women fund managers in Africa and promote the UN’s Sustainable Development Goals 5 (Gender Equality) and 8 (Decent Work and Economic Growth) on the continent.

ANCHORED ON FOUR PILLARS WHICH SHAPE ITS STRATEGY

Pillar #1
Create opportunities to attract capable female asset managers focused on investing in Africa.

Pillar #2
Accelerate fundraising and allocate capital to build track record and increase scale of female fund managers.

Pillar #3
Provide technical assistance to accelerate the fund management learning curve, working capital to support manager’s fundraising journey, and capacity building/middle office support for growth and expansion.

Pillar #4:
Focus on sustainable and scalable platform That will support women across the continent both in the listed and private market
Managers are rated as “not investable” and do not pass traditional investor due diligence.

**Fundraising barriers faced by women fund managers**

- Gender bias amongst asset allocator
- Women fund managers perceived as higher risk investments
- No track record in managing money as a start-up
- Min ticket size from institutional investors is too big

**AWIF Approach**

- Positioned to play a key role in the development of the asset management ecosystem by connecting women fund managers with investors that have GLI as a core investment focus.
- Risk mitigation through implementation of training programs, risk management plans, technical assistance, investment and operations monitoring, and the provision of working capital loans where required.
- Women fund managers will leverage +20 years of institutional investment and risk management experience. Provide investment support, assistance in raising investment capital to build track record.
- AWIF Investment platform facilitates the breaking down of investment capital into manageable sizes, oversee capital deployment by women fund managers and assist managers with investment pipeline.
Building an enabling environment. Creating an ecosystem that will ensure that fund managers thrive.

Accelerating and supporting the growth of women fund managers who in turn invest in high-impact businesses and projects across the continent.
STRATEGY IMPLEMENTATION
A W I F S T R A T E G Y I M P L E M E N T A T I O N

A
Developed Managers
with running business and institutionally viable but seen as a high-risk due to size and lack of track record

Networking, fundraising & investment capital

Investment capital
Help managers acquire a track record, building a more diverse client base and assist managers break even.

Working and warehousing capital solutions (grants, equity or debt) & Manager development

B
Incubation Managers
with experience and running business but not investable or institutionally viable

Working and Warehousing capital, & Manager development
- Assistance with operational and governance structures, and business overhead costs and sustainability needs.
- Tailored support to address weakness in operating and/or investment process

C
Emerging Managers
with minimum or no experience who are looking to start a fund or asset management business.

Fund manager training Program

Workshops and masterclasses
The training aims at strengthening the skills of existing or future high potential women investors through a full range of activities needed to establish an investment fund in Africa.
A Developed Managers with running business and institutionally viable but seen as a high-risk due to size and lack of track record.

Networking, fundraising & investment capital
Investment capital
Help managers acquire a track record, building a more diverse client base and assist managers break even.

Asset Owners/Institutional investors
Pension funds, endowments, foundations, family offices, development agencies, and high-net-worth investors.

Asset consultant
Advises on investment strategy—define investment policy, asset/sector allocation, fund manager selection, due diligence on behalf of investor.

Intermediary
Investment platform/facility
Promotes and showcases women fund managers
Sourcing, vetting and development of women fund managers to an investable state
Breaks investments into manageable ticket sizes and assist with investment pipeline
Match investors with the appropriate managers based on the investment guidelines that the investor has provided

Women fund managers
Fund managers who are investable and institutionally viable

Investment Companies
Sectors: Financial technology; Other technology; Food and agriculture; Healthcare; Education; Financial; Affordable housing; Renewable energy Industrial; Resources

Strategies*: Listed debt, listed equities; Unlisted credit, Venture Capital; Private Debt; Infrastructure Equity; Infrastructure Debt

*Investments into listed market managers available in a Fund of Fund.
A W I F S T R A T E G Y I M P L E M E N T AT I O N

Group A Developed Managers

Developed Managers
with running business
and institutionally viable
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& investment capital

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Investment Offerings

Listed/Public Markets
Portfolios

- Portfolios are structured and built
  as Fund of Fund (ICAV) solutions

Unlisted/Private Markets
Portfolios

- Portfolios may be structured and
  built on a segregated mandate
  basis

- Client specific mandate
  requirements and development
  guidelines taken into account

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Why the Fund of Fund Structure

- Long-term sustainable Platform – Ongoing search for pipeline investments and vetting
- Single structure to ensure measurable scale, manage costs
- Underlying managers can receive funding from large institutional investors in manageable sizes
- Combination of small/large managers allows for management of operational risk
- Liquidity & concentration risk management through fund country, asset class, sector diversification

Inclusion of listed/public market managers

- Listed investment managers ultimately control assets of large institutional investors and therefore have an impact on the decisions of policymakers
- Elevation of women in listed markets who are more likely to invest with an ESG lens, helps drive sustainable, long-term change at a larger scale
- Wider selection of established managers with regulated fund structure
- AWIF investment capital is put to work almost immediately

Broad-based, top-down & bottom-up, structural transformation
AWIF STRATEGY IMPLEMENTATION
Group B Incubation Managers

B Incubation Managers
with experience and running business but not investable or institutionally viable

Working and warehousing capital solutions (grants, equity or debt) & Manager development

Working and warehousing capital, & Incubation
Phase 1: Assistance with operational and governance structures, and business overhead costs and sustainability needs.
Phase 2: Tailored support to address weakness in operating or investment process

Portfolio Management
- Portfolio structuring
- Risk management
- Ongoing administration

Investment Research
- Identifying investment opportunities
- Due diligence covering investments and operations
- Mandate alignment
- Continuous investment & operations monitoring

Manager Support
- Identifying areas where support is required
- Continuous engagement & Milestone monitoring and progression
- Leveraging +20 years of institutional investment and risk management experience

Manager development pillars

Partner in the journey, continuous relationship
OUTCOMES
Completion of this training program and the multiple-choice assessments of each module will equip high potential African women investors with clear direction on how to plan, develop and implement an investment fund. In addition, additional mentorship opportunities will be available.

CONTENT AND STRUCTURE
Module 1. Development of a viable fund thesis and strategy
Module 2. Fundraising and Pitching
Module 3. Impact investing – strategy, positioning, and execution
Module 4. Environmental, Social and Governance (ESG)
Module 5. Pipeline Development and Portfolio Construction
Module 6. Fund Establishment and Fund Management/ institutionalisation
Module 7. Due Diligence, Investment Analysis and the Investment Process
Module 8. Limited Partner Investor Management
Module 9. Managing Fund Economics
Module 10. Legal Negotiations on Fund Terms and Transaction Term Sheets
INVESTMENT MANAGER
About the investment manager

RisCura is a purpose-driven global investment firm that offers investors unique insights and guidance to help shape the future world we all want to live in whilst still achieving and exceeding financial goals for its clients.
Our investment philosophy is centered around valuation and risk management with a forward-looking view, often taking a contrarian position.

- Understand the full macro context
- Asset pricing – understanding valuation models, demand vs supply
- We don’t time the market, look for large pricing dislocations and dynamically adapt portfolios to circumstances
- Often contrarian in nature
PROBLEM STATEMENT

A mechanism was needed to enable Countries to make good the pledges they made to UNECA to contribute to the AWIF initiative.

CONSIDERATIONS

- Mechanism needed to enable:
  - Investment into AWIF (fund); and
  - enable incubation and development of African female investment managers.
- Donors could not hold shares in a fund vehicle
- A registered entity was required
- Good reputation and African friendly jurisdiction
- Ability to register as a Charity in chosen jurisdiction
- Freedom to move capital

SOLUTION

- *Jersey incorporated Foundation*
  - Foundation Council and Foundation Advisory Council

WHY JERSEY SELECTED

- Africa friendly
- Well established charity framework
- Standard Bank presence for +/- 30 years
- Connectivity to London and Europe
- Depth of legal experience
- Freedom of capital movement
**Strategic Advisor.** The ECA’s mandate is to promote the economic and social development of its member States, foster intra-regional integration, and promote international cooperation for Africa’s development. Made up of 54 member States and playing a dual role as a regional arm of the UN and as a key component of the African institutional landscape, UNECA is well positioned to make unique contributions to address the Continent’s development challenges, including gender empowerment.

**Promoter & Fundraiser/Investment Services Advisor.** The Standard Bank Group is the largest bank on the Continent by asset size, with operations in 20 African countries, over 50,000 employees, more than 1,100 branches and over 9,000 ATMs on the African continent. This enables the Bank to deliver a complete range of services across personal and business banking, corporate and investment banking and wealth management. It sees gender equity not only as a fundamental human right, but also as a business imperative. Standard Bank believes that the economic empowerment of women is essential to raising Africa’s economic output and creating sustainable jobs.

**Strategic Advisor.** MIDA Advisors is a global transaction and financial advisory firm specializing in facilitating institutional investments and trade into Africa and other emerging markets. MIDA Advisors’ mission is to identify investment opportunities and provide transaction advisory services in emerging markets in partnership with development finance institutions, governments, institutional investors, businesses and research institutions. MIDA Advisors has offices in the U.S., South Africa, and Kenya. MIDA Advisors was originally founded during the 2nd U.S.-Africa Leaders’ Summit in 2016 under a cooperative agreement with the United States Agency for International Development (USAID). The firm expanded to become an implementing partner firm engaged by USAID, private sector organizations, and corporations for development finance and transaction advisory services in 2019. In the last five years, MIDA’s network of asset owners closed on investment deals targeting Africa and other emerging markets totaling over $1 billion. MIDA Advisors champions women economic empowerment in the financial sector through connections that lead to impact and financial inclusion.

**Investment Manager.** RisCura is a global leader in emerging and frontier markets. With a diverse client base and strong African roots, it has a well-placed view on investments in Africa. Experienced in establishing and managing technically intricate portfolios, RisCura launched the first multi-managed impact fund in South Africa and continues to demonstrate that investing should drive sustainable returns and connect to the real economy. RisCura believes developing a more inclusive investment industry is essential to investing for a better world – one that is more representative of the demographics of the countries in which it operates. To this end, RisCura has been supporting diverse start-up investment managers for over 20 years through a Manager Development Programme that aims to build diverse capacity in local markets through supporting women-owned and led firms, backing entrepreneurs, and upskilling investment industry expertise within these firms.
AWIF – Executive Committee

Main Objectives: to provide the appropriate strategic oversight on all key areas of the AWIF (viz. investment, commercial and business development initiatives) as per the inter-party agreements.

- **AWIF - Business Development Committee (BDC)**
  - Main Objectives: to make day-to-day business development decisions for the AWIF, incl. fee-setting, branding and marketing activities.

- **AWIF – Manager Development Program Committee (MDPC)**
  - Main Objectives: to provide the appropriate oversight and monitor progress of the manager development program.

- **AWIF - Investment Advisory Committee (IAC)**
  - Main Objectives: to provide the strategic oversight on the investment process as per signed mandate.

- **AWIF - Foundation Advisory Committee (FAC)**
  - Main Objective: to represent the EXCO on the day-to-day decisions relating to the AWIF Foundation, the charity arm of the Fund.

Each committee is made up of representatives from UNECA, Standard Bank, and RisCura.
THANK YOU
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