

eToro launches FemaleLeadership portfolio, offering investors exposure to the benefits of boardroom diversity

2 March, 2022: eToro, the social investing network, launched today its new FemaleLeadership Smart Portfolio, offering investors long-term exposure to companies already exhibiting strong gender-equality credentials and awareness.

Research has shown that increasing the proportion of women in leadership positions has a positive impact on a firm's profitability and also tends to enhance factors such as mentorship, collaboration, employee well-being, as well as diversity and inclusion initiatives.^[1]

eToro's Deputy CEO and Global Chief Operating Officer (COO), Dr. Hedva Ber, says: *"Female leadership and boardroom diversity have proven advantages, not just for company culture but also for business growth and development. The impact of these factors over the long term is not just a stronger, more resilient business with better processes and fresher thinking, but in turn better results for investors."*

Despite this, women only fill around 30% of director positions in the S&P 500^[2], and the proportion is drastically lower when it comes to CEOs. As of 2021, only 6% of S&P 500 CEOs were women.^[3] Nevertheless, the number of women in executive positions and on boards of directors is rising^[4], and eToro's new FemaleLeadership portfolio has been constructed to capitalize on the advantages this brings to their respective firms and sectors.

The portfolio is composed of 35 US-listed companies from the existing eToro stocks universe, ranked according to a range of metrics including gender diversity, analyst consensus ratings, stock liquidity, and market capitalization. In order to qualify, at least 40% of both the company's executives and Board of Directors must be women.

Dr. Ber adds: *"To identify the best-performing stocks of tomorrow, investors must evaluate the processes and cultures that a company is putting in place today and determine who is truly equipped for tomorrow. Diversity of thought, skills and experience are the hallmarks of a business that is willing to evolve, to embrace new ideas and to react creatively to future challenges. All these characteristics have proven significance for long-term success."*

"Gender equality is just one aspect of diversity, yet it is a crucial area where a great deal of progress needs to be made. That progress won't necessarily be steady or obvious, and for people who don't have the time to scrutinise the ongoing developments within each industry, the market may seem overwhelming. With a ready-made, diversified portfolio of companies, we will

be doing the heavy lifting and enabling our customers to engage with this progress in a simple and responsible way.”

The initial allocation of eToro’s new FemaleLeadership portfolio is weighted more heavily towards the consumer and communications sectors, with a particular focus on retail and internet companies, as per the ranking model mentioned above. The composition includes familiar brands whose leadership teams have made important progress on the road to gender equality, including Disney, GAP, Uber, Paramount Global and Hewlett-Packard. The full allocation can be found [here](#).

The launch of this portfolio is part of eToro’s wider initiative to support women in business, finance and investing. eToro recently launched InvestWithHer, an online community designed to encourage more women to consider investing.

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Notes to editors

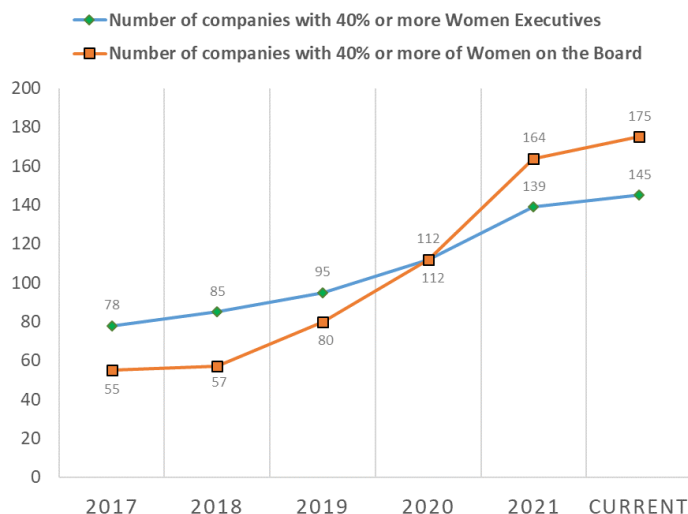
Initial investment starts from \$500 and investors have access to a range of tools and charts to track the portfolio’s performance. FemaleLeadership is one of over sixty portfolios now available on the platform. Click [here](#) for more information on the portfolio.

[1] [Working Paper 16-3: Is Gender Diversity Profitable? Evidence from a Global Survey \(pie.com\)](#)

[2] <https://www.spencerstuart.com/-/media/2021/october/ssbi2021/us-spencer-stuart-board-index-2021.pdf>

[3] https://www.wbcollaborative.org/wp-content/uploads/2021/10/Women-CEOS-in-America_2021_1013-2.pdf

[4] Using Bloomberg data for US-listed stocks available on eToro ~ 1,740 stocks (~15% of the companies did not report any data on Bloomberg):



About eToro

eToro is a social investment network that empowers people to grow their knowledge and wealth as part of a global community of successful investors. eToro was founded in 2007 with the vision of opening up the global markets so that everyone can trade and invest in a simple and transparent way. Today, eToro is a global network of more than 25 million registered users who share their investment strategies; and anyone can follow the approaches of those who have been the most successful. Due to its simplicity users can easily buy, hold and sell assets, monitor their portfolio in real time, and transact whenever they want.

About InvestWithHer

eToro's mission is to open the global markets so that everyone can trade and invest in a simple and transparent way. The word everyone is an important one. eToro is proud to have over 25 million registered users, however, eToro's goal is to have a platform which is inclusive and represents the populations of the countries in which eToro operates.

Gender is only one aspect of diversity, but it is an important one. eToro has therefore created [InvestWithHer](#), a community designed by women for women. It includes a series of workshops designed to encourage more women to start investing and to support them on their investment journey. The goal is to encourage engagement and dialogue to get more women talking about investing. eToro does not pretend to have all the answers, however, it hopes that by engaging with female users on eToro and understanding their challenges and motivations, it can promote diversity."

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