

INCLUSIVE CAPITAL

Driving innovation and growth through the next generation of diverse investors

Facilitator:

Susannah McClintock, Investment Partner, Clean Growth Fund

Panellists:

Amy Newton, Founder, Newtons Theory

Dr Olivia Champion, Research Commercialisation Manager, University of Bristol

Adam Thomas Brown, Founding Partner, Mentra Ventures

Contributors

Dr Laura Powell, Technology Transfer Associate, University of Southampton

Sara Palmer, Head of Investment, Innovate UK Business Connect

Colin Dart, Business Acceleration Programme Manager, University of Exeter

David Coe, CEO, CoED Biosciences

Serena Giaminardi, Head of Programmes and Investment, SETsquared

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The UK's investment ecosystem is built on capital, but people sustain it. Opportunities are not equally distributed - gender, ethnicity, socio-economic background, and regional location all shape who receives investment and who is overlooked. Inclusive capital is not just a moral imperative; it is a competitive advantage. Studies show that diverse teams deliver stronger financial returns; yet only 2% of UK equity funding goes to female founders, and 80% of senior venture investor teams are comprised of men. Female-led businesses outperform yet receive less capital, highlighting both a fairness issue and a missed financial opportunity for the wider ecosystem.

Against this backdrop, **Susannah McClintock, Partner at Clean Growth Fund**, facilitated a critical challenge discussion at the SETsquared Investment Futures event. The session brought together investors, founders, academics, and ecosystem partners to explore the practicalities of inclusive capital: how investors and founders can broaden their perspective, and what targeted interventions can shift entrenched systems.

The discussion revealed a persistent tension: while diversity drives performance, traditional structures, habitual practices, and unconscious bias continue to limit progress.

Defining inclusive capital

Susannah framed the discussion by offering a clear working definition:

"Inclusive capital is when financial power reflects and serves the full diversity of society."

She highlighted a stark regional imbalance: most UK investment is concentrated in London, Oxford, and Cambridge, despite these regions hosting less than 20% of the country's businesses. This leaves four-fifths of potential investment opportunities largely overlooked. However, initiatives from the British Business Bank, angel networks, and investment-in-women programmes are beginning to reshape this landscape, demonstrating the potential for systemic change.



Susannah McClintock, Partner, Clean Growth Fund

What inclusive capital looks like in practice

Amy Newton, Founder of Newtons Theory, highlighted the business case for inclusion: “Inclusive investment isn’t just fairness – it delivers better returns and stronger business outcomes. Over the past seven years, I’ve seen conversations move from the margins into the mainstream. When investors take action in the moment, creating representative panels and networks, it changes the trajectory not just for founders but for the performance of their portfolios. It’s about showing that inclusion isn’t a soft metric – it makes hard financial sense. Representation matters because founders are influenced by the people they meet and the advice they receive; it affects their confidence and, ultimately, their access to capital.”

Amy’s observation underscores a critical point: inclusive investment is not merely a social good but a strategic advantage. By intentionally reshaping panels, networks, and decision-making processes, investors can materially improve both social and financial outcomes.

Dr Olivia Champion, Research Commercialisation Manager at the University of Bristol, reinforced this perspective from her own experience as a female founder and inventor:

“Inclusive capital means deploying capital across all types of diverse populations. It’s financially sensible and socially necessary. Through SETsquared Bristol’s Breakthrough Bursary, we’ve seen representation of diverse founders increase from 2% to 50%. That’s not just a number – it’s a shift in who gets access, who gets mentorship, and who gets the opportunity to scale. When you put deliberate structures in place, you can see real change. It’s also about confidence: seeing yourself represented encourages founders to take the leap and grow their businesses.”

Dr Olivia Champion, Research Commercialisation, University of Bristol



Dr Olivia Champion, Research Commercialisation Manager, University of Bristol

Olivia’s example illustrates the power of structured, measurable programmes. By creating targeted bursaries and support mechanisms, underrepresented founders not only gain financial support but also mentorship, networks, and confidence to thrive.

Adam Thomas Brown, Founding Partner of Mentra Ventures, provided a regional perspective from Wales: “The lack of early-stage capital locally isn’t just a gap – it’s a missed opportunity for economic growth. Supporting local founders doesn’t just help individuals – it drives economic impact across a region. We’ve seen projects flourish once they receive the right early-stage investment, creating jobs and reinvigorating communities

outside the usual London, Oxford, and Cambridge corridor. It’s vital to think regionally, because talent isn’t just in the capital cities. The ecosystem needs both capital and networks to thrive.”

Regional interventions, such as early-stage funding and mentorship programmes, demonstrate how inclusive capital can deliver both financial returns and socio-economic impact. Audience contributions reinforced this point: founders in underfunded regions often lack visibility, networks, and access to investors, yet small interventions can significantly change trajectories.

Quotas: tokenistic or transformative?

The panel debated the role of quotas in driving inclusion. Susannah posed the question: are quotas a necessary short-term tool to shift the system, or do they risk being tokenistic?

Dr Olivia Champion argued in favour: “Quotas forced us to look beyond the usual suspects and created real opportunities for women. It pushed decision-makers to question their assumptions and engage with talent they might have otherwise overlooked. Without quotas, many capable founders would remain invisible.”

Dr Laura Powell, Technology Transfer Associate at the University of Southampton, added: “Quotas act as a concrete target that can counteract unconscious bias. They aren’t a solution in themselves, but they open doors to conversations and opportunities that wouldn’t exist otherwise. It’s the starting point, not the end point. They signal intent and make a difference while culture changes over time.”

Adam Thomas Brown offered caution: “Rigid quotas can miss the nuance of where opportunity truly lies. They need to be part of a broader, thoughtful approach rather

than a blunt instrument. Context is key - we need to understand where intervention will have the most impact.”

Amy Newton suggested embedding inclusive thinking more broadly: “If not quotas, then investors need a broad perspective in their teams and portfolios. Diversity in the investor lens leads to better investment choices, and ultimately, better returns. This needs to be a mindset, not just a target, and should influence every decision from recruitment to portfolio management.”

The discussion highlighted that quotas are not the only lever for change but can act as an important short-term mechanism to disrupt entrenched biases and create tangible opportunities.

From investor teams to portfolio impact

Audience contributions highlighted diversity within investment teams. **Sara Palmer, Head of Investment, Innovate UK Business Connect**, explained: “Training female talent to build regional VC teams creates a multiplier effect. It is proven that more diverse investment teams drive more diverse portfolios, and more diverse portfolios drive greater investment outcomes, strengthening the ecosystem as a whole.”

Colin Dart, Business Acceleration Programme Manager at the University of Exeter, noted the challenge:

“If investors don’t care about diverse teams, how do we make them care?”

Colin Dart, Business Acceleration Programme Manager, University of Exeter

Adam Thomas Brown emphasised that context matters: “Funds like SEIS and EIS allow smaller, regional, and high-impact investments. These vehicles can help unlock opportunities where larger, more rigid funds may overlook them. Without them, local talent often misses out on crucial early-stage support.”

Amy Newton added, “Demonstrating portfolio performance driven by diverse teams is key. When investors see evidence of success, it changes behaviour and encourages replication. Data and examples are critical - it’s the proof that shifts mindsets.”

The panel underscored that diversity in investment teams not only affects fund decision-making but also has cascading effects on which founders are supported and which sectors flourish.



Amy Newton, Founder, Newtons Theory

Inclusive capital beyond early-stage academia

David Coe, CEO at CoED Biosciences, raised the challenge of “spin-ins”- entrepreneurs returning to develop ideas years after leaving university. **Serena Giaminardi, Head of Programmes and Investment at SETsquared**, explained:

“Universities and accelerators must keep doors open to all founders, not just those fresh from academia. Accelerator programmes and university connections provide critical infrastructure - labs, mentoring, networks – to ensure founders can scale effectively. We have to make sure these resources remain accessible beyond the first wave of graduates.”

Serena Giaminardi, Head of Programmes and Investment, SETsquared

Audience members provided examples of spin-ins who had previously been excluded from programmes, reinforcing the importance of continued access and support for founders at different stages in their careers.

The risk of not investing in diverse teams

Dr Laura Powell posed a vital question: what is the risk of ignoring diversity? **Adam Thomas Brown** framed it as an opportunity cost, while **Amy Newton** emphasised urgency:

“Investors need to decide which side of the tipping point they want to be on. Diversity is increasingly the default expectation.”

Amy Newton, Founder, Newtons Theory

Failing to embrace inclusive capital carries not only social but financial and strategic risks, potentially leaving high-performing founders and innovative ideas untapped.



Sara Palmer, Head of Investment, Innovate UK Business Connect



Serena Giaminardi, Head of Programmes and Investment, SETsquared

Incentivising change: policies and frameworks

Olivia Champion proposed a Female Enterprise Investment Scheme with tax incentives for female-led ventures. **Jonathan Tudor, Investment Partner at Clean Growth Fund**, described practical interventions in fund governance: ensuring boards are 50/50 gender-balanced to cascade inclusive behaviours through the portfolio.

“Inclusive capital starts with inclusive choices. Intentionality matters in every decision we make.”

Jonathan Tudor, Investment Partner, Clean Growth Fund

Adam Thomas Brown advocated for institutional support, urging bodies such as the British Business Bank to expand fund mandates and support underrepresented founders at early stages. **Amy Newton** recommended sharing best practices among VC firms to disseminate successful approaches to inclusive investing.



Adam Thomas Brown, Founding Partner, Mentra Ventures

Key takeaways

Inclusive capital is more than a moral imperative - it is a strategic advantage. Diverse teams consistently outperform their less diverse counterparts, delivering stronger returns and more resilient business models. Achieving this requires intentional action: quotas, targeted interventions, and inclusive networks can help overcome bias and ensure underrepresented founders gain access to capital and support.

Regional and underfunded markets represent untapped potential. Local early-stage investment not only drives economic growth but also uncovers high-performing founders who might otherwise be overlooked. Similarly, universities, accelerators, and programmes must remain accessible to all entrepreneurs, including those who return as “spin-ins” after leaving academia, providing the infrastructure, mentorship, and networks needed to succeed.

Investor mindset is critical. Diverse perspectives within investment teams influence which founders are funded and how portfolios are built. Measuring and demonstrating the success of inclusive investment practices helps shift perceptions and encourages wider adoption. Above all, inclusive capital is about deliberate choices: every recruitment, every investment, and every programme design decision must be intentional to ensure lasting impact.



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