

# THE GENDER INDEX REPORT 2026

New data. Same outcome.  
Time is running out.



# SCOTLAND NARRATIVE

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Launched in 2022, the Scottish Government's National Strategy for Economic Transformation sets out the five programmes of action driving the delivery of the government's national ambition to build a fairer, greener and more prosperous Scotland by 2032. This strategy identifies Enterprise and Innovation as the first programme, which aims "...to establish Scotland as a world-class entrepreneurial nation founded on a culture that encourages, promotes and celebrates entrepreneurial activity in every sector of the economy."

Supporting female entrepreneurship is central to the work undertaken within this Programme, contributing directly to themes relating to 'fairer' and 'growing' as evidenced in the National Strategy. The Gender Index 2026 highlights activities delivered by the strategy across the 2024-25 period, including those focused on building on recommendations on ways to enhance women's participation in entrepreneurship in Scotland as identified by the Pathways Review.

This focus on creating more equal access to entrepreneurial opportunities and the resources to act on these, both for female founders and others disadvantaged groups in this space, is not new and neither is the challenge in making progress. It seems that small annual improvements are difficult to sustain, making step-change improvements hard to achieve.

For example, the Global Entrepreneurship Monitor (GEM) data indicates that in 2023 the gender gap in early-stage entrepreneurial activity in Scotland was diminishing, in part because male rates had dropped over the preceding two years. This gap however returned in 2024 when male-led rates of incorporation outpaced those of female-led companies.

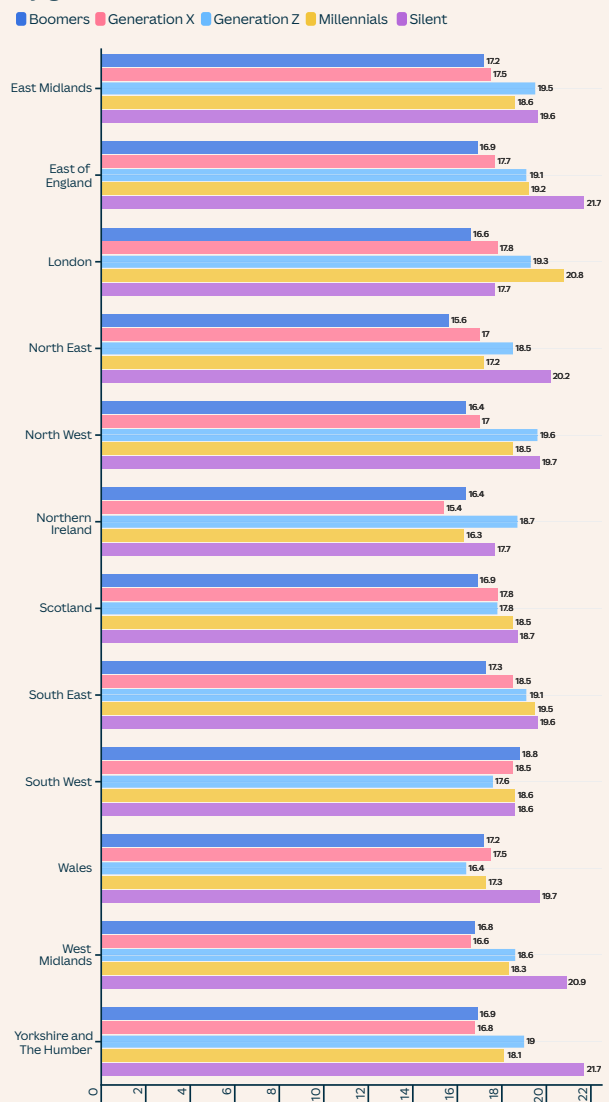
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# SCOTLAND KEY FINDINGS

- Of all companies incorporated in Scotland over the course of 2025, just 18.5%, a slight decline from 18.9% in 2024, were female-led, with a further 12.5% being established by mixed-gender teams. This suggests that just under a third of all newly incorporated companies had female participation with a female-to-male ratio of 40%.
- In absolute terms, 17% of active companies were female-led in 2025, with a further 18% led by mixed teams. This compares with the 58.3% of companies in Scotland which were wholly male-led – significantly more than the combined total of female and mixed-led companies. Scotland is usually comparable to the North of England, particularly the Yorkshire and Humber region, with similar population rates and economic structures. However, while female ownership rates are similar, Yorkshire had 17.8% female-led companies – more than Scotland – in 2025. This is despite Scotland’s greater devolved powers to design and resource female enterprise programmes.
- Among all active companies, Generation X, aged 43 to 58 at the time of data collection, controlled around 40% of all companies followed by the Millennials generation (27 to 42) which accounts for one third of all active companies in Scotland. However, it is the Silent Generation (78 to 95) where women have a relatively higher rate of female representation at 18.7%. Baby Boomers (59 to 77) years have the lowest female representation at 16.9%. These figures are broadly similar to those reported in 2024. (Figure 7)
- While much is said about younger women driving growth in female business ownership, the data shows a large gender gap among Generation Z – 73% male representation against only 17.8% for women. While there is no indication that the gender gap varies systematically by age, that so few young women are engaged in business ownership despite interventions to create a more equal environment and facilitate entry into entrepreneurship in Scotland is a matter of interest.

**Figure 7: The percentage of female-led companies by generation**



- The data shows a significant shift between 2024 and 2025 in the distribution of average growth across mixed-, female- and male-led ventures. In 2024, Scotland recorded 21.2% mixed-led, 24.0% female-led and 19.3% male-led activity. Female-led ventures were clearly the most prominent category, exceeding male-led average growth by nearly 5% and aligning closely with the UK-wide pattern.

- The percentage of high-growth female-led companies is lowest in Scotland across the home nations, and much lower than the UK average. While the percentage of female-led companies among high-growth companies is lower than among active companies overall, Wales and Northern Ireland, with similar devolved powers, appear to have more female representation in high-growth companies, similar to representation in their overall business populations. However, Scotland and many English regions report greater under-representation of women in high-growth companies.
- Between 2024 and 2025, Scotland saw a slight decline in the percentage of high-growth companies led by women, dropping from 12% to 11.6%.
- For 2025, this profile seems to have changed. Companies that are mixed-led saw average growth increase slightly to 22.4%, while female-led companies sustained a decline in growth to 18.7%. Male-led companies saw growth fall more sharply to 16.0%. Although female-led growth remains higher than male-led, the gap can be seen to have narrowed considerably.
- Across the UK, female-led companies are highly under-represented in usage of external capital with female-led shares significantly lower than those observed in the overall business population. In Scotland, only 11.5% of female-led companies were found to be using external capital against a female participation rate of 17%

in the business population overall. This can be compared to Northern Ireland where it appears there is relatively less under-representation in the usage of external capital (14.4%) relative to the overall business population (15.9%).

- In 2025, Scotland saw a decline in the percentage of female-led companies with external capital, from 12.3% to 11.5%. This slight decline is consistent with the national trend, but contrasts with the growth in Wales. Overall, more Scottish female-led companies are raising external capital compared to those in Wales, while nearly 1% behind England, and 3% behind Northern Ireland.
- In 2025, among companies using secured debt, 14.6% were female-led. There was nevertheless a slight decline from 2024 in line with the national trend in the UK. Still, the rates for Scotland were among the highest in the UK with only Wales and the adjacent South West region returning a higher prevalence of female-led companies among those with secured debt.
- Figure 8 shows a marked gap between love investors and angel investors among women investors in 2025, when the female share of love investors was 49.9% and the female share of angel investors stood at 24.7%. This indicates that women are close to parity in informal, relationship-based investment, but are significantly underrepresented in formal early-stage investment roles such as angel investing.

**Figure 8: The percentage of female love and angel investors by ITL1 Region**

