

# ISSUE BRIEF

## Gender Lens

Updated April 2018

### Through the Lens: Women's Empowerment Principles

The term “gender lens” was first coined in 2007 by Criterion Institute, and has become an important focus area in the world of ESG and SRI investing. Broadly speaking, gender lens investing seeks to factor gender into investment decisions. Gender lens investment considerations may include how an investment will support women's access to capital, equality in the workplace, the promotion of women to leadership positions, or products and services designed to benefit women. Our SRII team's approach uses a gender lens as one of the base avoidance screens in all portfolios. We've committed to avoid investing in any company that does not have at least two women on the board. This criteria is also factored into our ESG Capture™ scoring process.

Although applying a gender lens to the capital markets is a powerful tool, it is certainly not the only way to integrate the principle in business practices. In 2010, UN Women, which focuses exclusively on gender equality and women's empowerment, along with the UN Global Compact, which is the world's largest corporate sustainability initiative, partnered together to create **Women's Empowerment Principles (WEP)**. The Principles provide guidelines for corporate action to promote gender equality and women's empowerment in the workplace, marketplace and community. The WEP is based on the notion that empowering women to fully and equally participate in the labor force reaps both social and economic benefits for all. The framework was developed after a year-long global multi-stakeholder consultation process, and officially launched in 2010, on International Women's Day (March 8<sup>th</sup>).

A growing number of studies, backed by the World Bank, the World Economic Forum and other reputable institutions, expose the business case for women's inclusion and gender equality. Noteworthy in 2016, the Research Institute at Credit Suisse conducted a study with a database of almost 3,400 companies representing 35 countries and all industries\*. The research revealed that companies with at least one woman on the board had excess compound returns for investors of 3.5% per annum since 2005, compared to companies with an entirely male boardroom.

However, moving beyond the research requires companies to intentionally implement practices that will empower women. The WEP seeks to provide such standards. A complementary ‘CEO Statement of Support’ encourages CEOs around the globe to signal their company's intention of implementing the WEP. As of April 2018, over 1,800 CEOs across all industries and in over 100 countries have signed the statement.

- 1 Establish high-level corporate leadership for gender equality.**
- 2 Treat all women and men fairly at work – respect and support human rights and nondiscrimination.**
- 3 Ensure the health, safety and well-being of all women and men workers.**
- 4 Promote education, training and professional development for women.**
- 5 Implement enterprise development, supply chain and marketing practices that empower women.**
- 6 Promote equality through community initiatives and advocacy.**
- 7 Measure and publicly report on progress to achieve gender equality.**

Source: Women's Empowerment Principles

#### For more information\*:

[http://wepprinciples.unglobalcompact.org/files/attachments/EN\\_WEPs\\_2.pdf](http://wepprinciples.unglobalcompact.org/files/attachments/EN_WEPs_2.pdf)

<http://wepprinciples.org/Site/>

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