Gender Equality: How it matters to businesses and sustainability

13 April 2016
Speakers

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Womanity Foundation

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Gender Equality: How it Matters to Businesses and Sustainability

Elizabeth Rector, Vocational Program Leader, Afghanistan
All women and men have equal and full social, economic and political participation

1. Protecting Woman and Girls

2. Advancing Girls Education and Vocational Training

3. Giving Women and Girls a Voice

4. Improving Economic Opportunities for Woman and Girls

Womanity’s Guiding Principles:
- Experiment with innovative approaches
- Measure outcomes
- Learn from doing
- Iterate improvements
- Leverage local organizations
- Facilitate collaboration and partnerships
- Foster sustainable change
- Provide donors a high impact financial structure

Afghanistan | Israel | Morocco | West Bank | Brazil | India
**Invest in Girls and Women: The Ripple Effect**

- **Improve health**: Women who use maternal healthcare are more likely to seek healthcare for their children.

- **Benefit Families**: Girls and women spend 90% of earned income on family, men 30-40%.

- **Strengthen Economies**: Girls and women are at the heart of development. Investing in them will raise labor productivity by 25% in some countries.

- **Increase Productivity**: Growing evidence shows that corporations led by women are more focused on sustainability.

- **Create Sustainable Nations**: When 10% more girls go to school a country’s GDP grows 3%.

- **Reduce Hunger**: Eliminating barriers for girls could lift 100-150m people out of hunger.

- **Closing the gender gap in agriculture could lift 100-150m people out of hunger.**

Source: Women Deliver
3.5 billion projected 2030 global labor force

38 - 40 million potential shortage of college educated workers in 2020

45 million potential shortfall of workers with secondary education

STEM jobs growing 1.7x faster than other job categories and pay 1.33x more than other job categories

2.4 billion People using the mobile internet in 2014 Growing to 3.8 billion In 2020

Sources: McKinsey Global Institute, GSMA,
1. Teach coding to 11th and 12th grade girls in addition to core curriculum:
   - Offered in two of the largest public girls’ high schools in Kabul
   - New computer labs
   - 300-400 hours of curriculum (JavaScript, CSS, HTML, SQL, PHP, etc.)
   - 2 hours a day/5 days a week
   - Parent and student signed commitment
   - Launches 20 April

2. Improve post graduation employment and higher education admission:
   - Build coalition of higher education, private sector and other NGOs
   - Build data set on employment in ICT in Afghanistan (focus on Kabul)
   - Create internship opportunities
   - Provide mentors
“You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete.”

- Buckminster Fuller -
Competence Centre for Diversity & Inclusion - CCDI

Bianca van Dellen, M.Sc.

Gender Equality: How it matters to businesses and sustainability

Zürich, April 13, 2016
The penalty of part-time
1,200 managers surveyed in Advance member companies on the impact of part-time work

Percent of respondents

n = 1166

- German-speaking CH: 81%
- Middle/higher management: 80%
- P&L responsibility: 70% male, 30% female
- Male: 65%
- Female: 35%
Career advancement is strongly influenced by few factors – myths and reality in Advance companies

<table>
<thead>
<tr>
<th>Myths (no impact)</th>
<th>Reality (significant impact)</th>
</tr>
</thead>
<tbody>
<tr>
<td>❌ Gender</td>
<td>✔ Age</td>
</tr>
<tr>
<td>❌ Nationality</td>
<td>✔ Education</td>
</tr>
<tr>
<td>❌ Company tenure</td>
<td>✔ P&amp;L responsibility</td>
</tr>
<tr>
<td>❌ Maternity leaves(^1)</td>
<td>✔ Visibility through special projects</td>
</tr>
<tr>
<td>❌ Flexible working arrangements</td>
<td>✔ Employment percentage</td>
</tr>
</tbody>
</table>

\(^1\) Average maternity leave = 5.3 months per child
However, women have less access to “career” boosters

Percentage of managers responding
n=1'166

Position with P&L responding

“I am assigned to projects that boost my career”

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree/agree</td>
<td>63%</td>
<td>49%</td>
</tr>
<tr>
<td>76%</td>
<td>76%</td>
<td>65%</td>
</tr>
</tbody>
</table>

1 Strongly agree/agree

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There is a severe penalty for working part-time – for both, men and women

Effect of working pensum on hierarchy level

- Current
  - Full-time
  - Part-time

- Previous
  - Full-time
  - Part-time

No effect
Negative effect

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Significant negative effect of part-time work hits, despite mostly moderate pensum reductions

Gender distribution of part-time employees

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part-time</td>
<td>30</td>
<td>70</td>
</tr>
<tr>
<td>Full-time</td>
<td>86</td>
<td>14</td>
</tr>
</tbody>
</table>

(n = 1,166)  
(n = 163)

Part-time pensum

<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤50%</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>60%</td>
<td>18</td>
<td>18</td>
</tr>
<tr>
<td>70%</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>80%</td>
<td>41</td>
<td>41</td>
</tr>
<tr>
<td>90%</td>
<td>22</td>
<td>22</td>
</tr>
</tbody>
</table>

Childcare is most common reason for reduction

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Swiss working culture seems “family-unfriendly” and creates disadvantages for primary care givers – which are mainly part-time working women.

**Important factors to succeed**

- **Full-time** pensum
- **P&L** responsibility
- **Visibility through strategic projects**

**Situation of female managers**

- More often **part-time**
  - Reduction to mostly 70% +
  - Primarily for child care
- **Less P&L** positions
- **Lower access** to priority projects

**Impact**

- **Less women** in senior positions
- **Higher turn-over** in female work-force
- Tendency to be niched in specialized expert roles
Corporate culture is key to success – recommendations

• Actively reflect on **working culture** and **performance model** for success

• **Engage men at scale** to **sponsor** women (mentoring is not enough) and to change the **corporate culture**

• Evolve the working culture to more **result-orientation** and **flexibility**, and move beyond the **part-time trap**

More female leaders is **not a question of diversity programs**, it requires a **profound move of corporate cultures and boundaries**
Questions? Contact us…

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RobecoSAM Global Gender Equality Impact Equities
April 13th, 2016

Dominik Scheck
Client Portfolio Manager

Strength in diversity
Hello, is there anything out there?

- Pax Ellevate Global Women’s Index Fund
- Invesco Women Power Focus Japan Equity Fund
- BNY Mellon Women Energy Japan Equity Fund
- Nissay Japan Equity Select Active Women
  - ...  
  - ...  
- German Gender Index, Börse Hannover
Board Topic in Focus

Gender Criteria

Companies are rated by Pax World Gender Analytics based on multiple criteria. These factors are given different weights, with representation by women on boards and in management weighted the most.

Representation of women on the board of directors
Representation of women in executive management
Woman CFO
Woman CEO

* A joint initiative of the UN Global Compact and UN Women
RobecoSAM goes beyond the board

<table>
<thead>
<tr>
<th>Board Nomination Process</th>
<th>Trend of Employee Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>• # of women in the board</td>
<td>• Systematic approach to employee engagement</td>
</tr>
<tr>
<td>• Public available board nomination policy</td>
<td>• Ability to split the results</td>
</tr>
<tr>
<td>• Including factors such as gender, age, background, etc.</td>
<td></td>
</tr>
<tr>
<td>• Board diversity and skill analysis</td>
<td></td>
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<tr>
<td>• Relevant industry experience</td>
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<table>
<thead>
<tr>
<th>Talent Management</th>
<th>Occupationa l Health and Safety</th>
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<tbody>
<tr>
<td>• Split of workforce at several management levels based on diversity factors (gender, age, nationality, race)</td>
<td>• Work-life balance</td>
</tr>
<tr>
<td></td>
<td>• Training</td>
</tr>
<tr>
<td></td>
<td>• Company’s support in flexible work hours</td>
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<td></td>
<td>• Well-being programs</td>
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<table>
<thead>
<tr>
<th>Equal Remuneration and Retention</th>
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<tbody>
<tr>
<td>• Gender based remuneration gap at different management levels</td>
<td></td>
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<tr>
<td>• Using total compensation (salary + bonuses) to measure the unexplained gender pay gap</td>
<td></td>
</tr>
<tr>
<td>• Link back to retention of male and female employees at different management levels</td>
<td></td>
</tr>
</tbody>
</table>
Corporate Sustainability Assessment & External Partner EDGE Certified

600 data points

120 question scores

20 criteria scores

3 dimension scores

1 total score

Source: RobecoSAM, Edge Certified.
Real-life example: SAP SE

• Strength in board of directors gender diversity (in the IT sector)

• Retention of women through «talent pipeline» and equal remuneration

• SAP has been setting targets for women in management, increasing its number of women in management to over 21% in 2014, and it works towards an IT industry goal of 25% by 2017

• SAP offers executive sponsorships for women

• SAP is requiring that at least one woman is included on the short list for key management roles.
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Thematic apéro on pension funds rating with WWF, June

Summer Party @ SUSI Partners, 30 June
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