

Investing to Advance Women



A Guide for Individual & Institutional Investors



The Forum for Sustainable and Responsible Investment

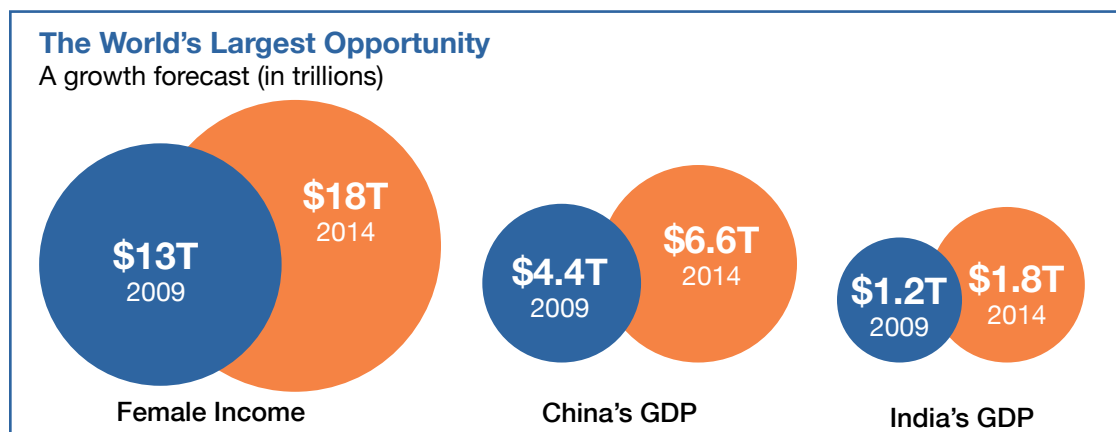
Introduction

Women have made advances in the United States and around the world in recent decades, but they have not achieved parity with men on socioeconomic measures ranging from pay and access to capital to representation on the boards of major corporations. A growing body of evidence suggests that there is not only a moral argument for investing in women, but a business case as well. This guide is intended as a practical guide for individuals and institutions interested in learning about investment opportunities that help advance women.

Women’s Changing Socioeconomic Status

In recent decades, women around the world have made major steps forward in politics and business. As of June 1, 2014, 21 presidents or prime ministers worldwide were women, just shy of the record of 22 set earlier in the year.¹ In addition, women constituted 30 percent of the parliamentary representation in the lower house or unicameral parliaments of 39 countries as of May 1, 2014, up from 16 just 10 years earlier and six in 1999.² Women have entered the labor force in unprecedented numbers, increasing their potential participation in decision making at various levels, starting with the household,³ and women own over 30 percent of the registered businesses around the world.⁴ Globally, women control about \$20 trillion in annual consumer spending and earn about \$18 trillion in total yearly earnings.⁵ In aggregate, women represent a growth market bigger than China and India combined.

In education, global women have also made important strides. The Organization for Economic Cooperation and Development, an international economic organization of 34 countries, reported that women continue to make gains in higher education across the OECD countries. For example, the percentage of women expected to enter a university program during their lifetimes increased from 60 percent in 2005 to 69 percent in 2010 (compared to an increase from 48 to 55 percent for men). Women make up 59 percent of all university “first” (bachelor’s) degree graduates.⁶



Source: Harvard Business Review⁷

Despite these advances and achievements, women’s voices and opportunities are often stifled by societal stereotypes and harmful social norms and beliefs. Women face legal, cultural and structural barriers, such as discrimination and lack of access to finance and collateral. The International Finance Corporation reported that

1. “Female World Leaders Currently in Power,” accessed July 14, 2014, http://www.jimcullough.com/charts_rest_female-leaders.php.
2. “Women in National Parliaments,” accessed July 7, 2014, <http://www.ipu.org/wmn-e/arc/classif050599.htm>.
3. United Nations Development Programme and Spain MDG Achievement Fund, *Millennium Development Goals Achievement Fund (MDG-F) Thematic Window Terms of Reference—Gender Equality and Women’s Empowerment* (2007), available at <http://www.mdgfund.org/sites/default/files/MDGF-TOR-Gender.pdf>. See also “Participation in the Economy,” Globalization 101: A Project of SUNY Levin Institute, accessed July 14, 2014, <http://www.globalization101.org/participation-in-the-economy/>.
4. International Finance Corporation, *Banking on Women Changing the Face of the Global Economy* (2013), <http://www.ifc.org/wps/wcm/connect/9be5a00041346745b077b8df0d0e71af/BOW+FACT+SHEET+NOV+1+2013.pdf?MOD=AJPERES>.
5. Michael Silverstein and Kate Sayre, “The Female Economy,” Harvard Business Review, September 2009, accessed July 14, 2014, <http://hbr.org/2009/09/the-female-economy/ar/1>.
6. “Global Education Trends,” Inside Higher Ed, accessed August 4, 2014, <http://www.insidehighered.com/news/2012/09/11/oecd-releases-report-global-education-trends#ixzz386w466Ha>.
7. “The Female economy,” Harvard Business Review, September 2009, <http://hbr.org/2009/09/the-female-economy/ar/>.

approximately 128 out of 143 economies studied still impose gender differences in laws.⁸ Women continue to earn less pay for work of equal value. In many parts of the world, they walk hours to fetch wood and carry water, denying them opportunities for education and economic participation.

In the United States, women have become nearly half the workforce. They are increasingly working in the high-growth areas of science, technology, engineering and mathematics, where they earn 33 percent more, on average, than US women as a whole, according to the Department of Commerce. Women own 40 percent of businesses in the country, and these businesses are growing at twice the rate of US firms.¹³

BOX 1: ALARMING FACTS

- Women perform 66 percent of the world's work and produce 50 percent of the food, but earn 10 percent of the income and own 1 percent of the property.⁹
- Women and girls comprise two-thirds of the world's 796 million illiterate people.¹⁰
- It is estimated that 60 percent of chronically hungry people are women and girls; 20 percent are children under five.¹¹
- One-third of the world's girls are married before the age of 18, reducing the years they are able to attend school.¹²

Sources: World Bank and IFC, UN Women, World Food Programme, and International Center for Research on Women

Despite this progress, US women, too, continue to face challenges. Only 11.6 percent of the directors on the boards of the Russell 3000 publicly traded companies in 2012 were women, and more than a third of these boards were all male.¹⁴ Additionally, at all levels of education, women earned about 77 percent of what their male counterparts earned in 2011 and 2012. The White House Council on Women and Girls found that women continue to experience higher poverty rates than men.¹⁵ These economic inequities are even more acute for women of color in the United States.

BOX 2: WOMEN IN THE UNITED STATES: BY THE NUMBERS

161 million—The number of females in the United States as of December 2013 [the number of males was 156.1 million].

74.8 million—The number of females 16 and older who participated in the civilian labor force in 2012. Women comprised 47.4 percent of the civilian labor force in 2012.

41.6%—Percent of employed females 16 and over in 2012 (annual average) who worked in management, professional and related occupations, compared with 34.7 percent of employed males in the same year (annual average).

\$37,791—The median annual earnings of women 15 or older who worked year-round, full time in 2012. In comparison, the median annual earnings of men were \$49,398.

11.3 million—Number of women college students in fall 2012. Women comprised 56.8 percent of all college students.

77¢—The amount that female year-round, full time workers earned in 2012 for every dollar their male counterparts earned. This ratio was statistically unchanged from 2011.

Source: Department of Commerce¹⁶

8. World Bank and International Finance Corporation, *Women, Business and the Law 2014: Removing Restrictions to Enhance Gender Equality*, (2013).

9. The World Bank and the International Finance Corporation, *Women Business & The Law: Removing barriers to economic inclusion* (2012), 1, available at <http://wbi.worldbank.org/~media/FDPKM/WBL/Documents/Reports/2012/Women-Business-and-the-Law-2012.pdf>. See also International Center for Research on Women <http://www.icrw.org/what-we-do/property-rights>.

10. "Facts and Figures," UN Women, accessed August 3, 2014 <http://www.unwomen.org/en/news/in-focus/commission-on-the-status-of-women-2012/facts-and-figures#sthash.8JAAtwYsi.dpuf>.

11. World Food Programme, *WFP Gender Policy and Strategy – Promoting Gender Equality and the Empowerment of Women in Addressing Food and Nutrition Challenges* (2009), available at <http://home.wfp.org/stellent/groups/public/documents/resources/wfp195024.pdf>.

12. "Child Marriage Facts and Figures," International Center for Research on Women, accessed July 14, 2014, www.icrw.org/child-marriage-facts-and-figures.

13. Calvert Foundation, *2012 Social Impact Report* (2012), available at <http://www.calvertfoundation.org/storage/documents/social-impact-report-2012.pdf>.

14. GMI Ratings, *Variation in Female Board Representation within the United States* (2012). Executive summary available at <http://www.boardgender.org/files/GMI-Ratings-July-2012-Variation-in-Female-Board-Representation-in-the-US.pdf>.

15. U. S. Department of Commerce Economics and Statistics Administration and Executive Office of the President Office of Management and Budget, *Women in America: Indicators of Social and Economic Well-Being* (2011), available at http://www.whitehouse.gov/sites/default/files/rss_viewer/Women_in_America.pdf.

16. US Census Bureau News, US Department of Commerce, February 11, 2014, http://www.census.gov/newsroom/releases/pdf/cb14-ff05_womens_history.pdf.

Governments and business are increasingly recognizing that creating conditions for the advancement of women and promoting inclusion drives development and builds a more sustainable economy. Governments acknowledge that achieving the Millennium Development Goals,¹⁷ combined with national economic and development plans, requires rapidly moving towards gender equality. Similarly, many business leaders understand that empowering women and promoting gender diversity is good for business. Almost 800 companies have signed a CEO Statement of Support for the [Women's Empowerment Principles](#), launched in 2010 by UN Women and the UN Global Compact.¹⁸ The Principles outline seven steps companies can take to empower women in the workplace, marketplace and community:¹⁹

- 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.

Investment Strategies That Support Women

In the last several years, investment firms have created products across asset classes to support companies and other institutions seeking to help women advance at all economic levels—from corporate boardrooms to factory floors—or to assist women and their families living in poverty or in under-served communities. In addition to considering standard financial metrics, these investment managers are approaching the investment process with a “gender lens.” This approach appeals to an increasing number of individuals, families, foundations, pension funds and other investment firms who are exploring how to use their consumer dollars, philanthropy and investment portfolios to address gender inequality and advance women as an urgent moral and economic imperative.

GENDER LENS PRODUCTS

A paper published by Veris Wealth Partners, [Women, Wealth and Impact: Investing with a Gender Lens](#), explores the business case for gender lens investing and recommends steps investors can take with their portfolios to support gender equality.²⁰ Investing in companies or organizations that help advance women can be a smart business strategy: a significant body of research suggests that companies that are successful in promoting women to the most senior levels of business and appointing them to boards tend to perform better than those companies that do not (see Box 3).

Here are a few examples of investment products, by asset class, that focus on women.

Public equities, bonds and exchange traded notes

- The [Pax Ellevest Global Women's Index Fund](#) focuses on investing in companies that are committed to gender diversity on their boards of directors and in executive management and that embrace policies and programs, such as the Women's Empowerment Principles, to elevate women in the workplace. Pax says that women hold 31 percent of board seats and 24 percent of senior management positions, on average, in the fund's portfolio companies, while globally women only hold 11 percent of senior management positions. Fully 97 percent of

17. The Millennium Development Goals include gender equality and empowerment of women, improving maternal health, halving extreme poverty rates and providing universal primary education by the target date of 2015. See: <http://www.un.org/millenniumgoals/>.

18. “Companies,” Women's Empowerment Principles, accessed August 3, 2014, <http://weprinciples.org/Site/Companies/>.

19. “Women's Empowerment Principles,” UN Women and The UN Global Compact, accessed July 14, 2014, <http://weprinciples.unglobalcompact.org/>.

20. Veris Wealth Partners, *Women, Wealth and Impact Investing with a Gender Lens* (2013), http://www.veriswp.com/wp-content/uploads/2014/02/Women-Wealth-And-Impact_CA_20131218.pdf.

companies in the new Fund have two or more women on their boards, and nearly 70 percent have three or more.

- [US Trust's Women & Girls Equality Strategy](#) allows investors to apply a gender lens to the asset classes of US equity and taxable corporate fixed income.²¹ This strategy invests in companies that meet financial fundamentals and have progressive policies relating to women, along with a commitment to use business practices to change the landscape of rights and equality for women. The methodology considers a company's track record on hiring, retaining and promoting women; female representation in senior management and on the board; wage parity between women and men; career-advancement opportunities; policies on family leave; supply chain practices and the portrayal of women and girls in advertising.²²
- [The Morgan Stanley Parity Portfolio](#) is a separately managed account for high net worth individuals and institutional clients that focuses specifically on increasing female board representation.²³
- [Barclays Women in Leadership Total Return Index](#) is composed of companies with a female chief executive officer or companies where women make up at least one-fourth of the board of directors. Companies also have to meet specific market capitalization and trading volume thresholds. The Barclays Exchange Traded Notes (ETNs), which track the Barclays Women in Leadership Total Return Index, are designed to provide investors with exposure to US companies with gender-diverse executive leadership and governance. Barclays ETNs are senior, unsecured, unsubordinated debt securities issued by Barclays Bank PLC.

Private equity and venture capital

- [Texas Women's Ventures](#) provides innovative capital solutions for high-growth women-led companies and women entrepreneurs in Texas and the Greater Southwest.
- [Golden Seeds](#) is an investment firm that has a nationwide network of 275 angel investors—one of the largest in the United States—and venture capital funds. The firm focuses on women-led companies and has invested over \$60 million in more than 60 women-led companies since 2005.

Community development and microfinance loan funds

- [Wisconsin Women's Business Initiative Corporation](#) promotes economic development in urban and rural areas by providing access to capital and business education and financial awareness programs, concentrating on serving those who have faced significant barriers to economic self-sufficiency.
- Calvert Foundation's [Women Investing in Women Initiative \(WIN-WIN\)](#) has made more than \$20 million in microfinance, small business, affordable housing and community development loans to women with the support of 800 individual and institutional investors.
- [Root Capital](#), a non-profit social investment fund that focuses on environmentally vulnerable places in Africa and Latin America, offers a [Women in Agriculture](#) Initiative to provide economic opportunities for women by investing in industries that traditionally employ large percentages of women, as well as in businesses led by women entrepreneurs and managers. By 2016, the Initiative plans to finance 200 gender inclusive businesses, reach 200,000 female producers and build the financial management capacity for 100 gender inclusive businesses.²⁴
- [Women's World Banking](#) works closely with its global network of 39 microfinance institutions from 28 countries to create new credit, savings and insurance products specifically designed for women.

21. US Trust, Bank of America Private Wealth Management, *Women and Girls Equality: A Clear Focus for Social Investing* (2013), <http://www.ustrust.com/publish/content/application/pdf/GWMOL/UST-WK-Women-and-Girls-Equality-Strategy.pdf>.

22. Ibid.

23. "Financial Advisor Team Creates a "Gender Lens" Portfolio," Morgan Stanley Smith Barney LLC, April 1, 2014, <http://womenforum.morganstanleysmithbarney.com/Home/pages/print/posts/?bid=f084ab95-b07b-4093-b063-bb712387cc6c&mode=Full>.

24. "Women in Agriculture Initiative," Root Capital, accessed August 28, 2014, <http://www.rootcapital.org/support-us/women-agriculture-initiative>.

- [WomenVenture](#) is a nonprofit organization based in Minnesota dedicated to supporting women-owned businesses by providing microloans, working capital, education and ongoing consultation through all stages of business. The organization’s mission is helping “...women attain economic self-sufficiency through the creation and growth of profitable and sustainable businesses.”²⁵ In its 2013 annual report, WomenVenture reported that they were able to start or grow 194 businesses in 2013, generating \$7.3 million in gross sales.

BOX 3: BOARD DIVERSITY AND CORPORATE PERFORMANCE

The Credit Suisse Research Institute tested the performance of 2,360 global companies over six years and found that companies with one or more women on the board have delivered higher average returns on equity, better average growth and higher price/book value multiples.²⁶

Thomson Reuters compared companies where women hold more than 30 percent of the boards’ seats with companies where women hold fewer than 10 percent of the directorships, and found that the first group of companies fared better in periods of greater economic volatility.²⁷

A 2011 study by Catalyst, a nonprofit organization dedicated to expanding the opportunities for women in business, found that companies with the most women board directors (WBD) outperform those with the least by 16 percent on return on sales (ROS) and by 26 percent on return on invested capital (ROIC). Companies with sustained high representation of WBD, defined as those with three or more WBD in at least four of five years, significantly outperformed those with sustained low representation by 84 percent on ROS, by 60 percent on ROIC, and by 46 percent on return on equity.²⁸

Several other studies have found that companies with higher percentages of women on their boards or in senior management outperform those that lag in gender diversity.²⁹

OTHER INVESTMENT STRATEGIES THAT SUPPORT WOMEN

In addition to the gender lens products described above, many sustainable, responsible and impact investment (SRI) managers offer separate account strategies, mutual funds and other products that, while not specifically labeled as “gender lens,” still take into account board diversity, fair employment, labor rights and other issues that benefit women.

Here, for example, is a [list of mutual funds](#) offered by members of US SIF. The screening and advocacy tab identifies which ones consider criteria such as equal employment opportunity (EEO), human rights, labor relations and board issues. Similarly, US SIF’s online chart of “[Separate Account Managers in Sustainable and Responsible Investing](#)” can help identify separate account managers offering equity and fixed income strategies that take these issues into account.

Many community development credit unions and other community investing institutions active in the United States provide loans and financial services that help women in under-served communities access credit and develop businesses.

25. “About WomenVenture,” WomenVenture, accessed September 10, 2014, <http://www.womenventure.org/about.html>.

26. Credit Suisse, *Gender diversity and corporate performance* (2012), 3, <https://publications.credit-suisse.com/tasks/render/file/index.cfm?fileid=88EC32A9-83E8-EB92-9D5A40FF69E66808>.

27. Thomson Reuters, *Women in the Workplace: Latest Workforce Trends in Gender Equality* (2012), <http://alphanow.thomsonreuters.com/ebooks/women-in-the-workplace/#19>.

28. Catalyst, *The Bottom Line: Corporate Performance and Women’s Representation on Boards (2004-2008)*, <http://www.catalyst.org/knowledge/bottom-line-corporate-performance-and-womens-representation-boards-20042008>.

29. A few recent studies include: David A. Carter, Frank D’Souza, Betty J Simkins and W. Gary Simpson, “The Diversity of Corporate Board Committees and Firm Financial Performance,” Oklahoma State University, March 15, 2007; Kevin Daly, “Gender Inequality, Growth and Global Ageing,” Goldman Sachs Global Economics Paper No: 154, April 3, 2007. See also two papers by Bin Srinidhi, Ferdinand A. Gul, and Judy Tsui: “Do Female Directors Enhance Corporate Board Monitoring? Some Evidence from Earnings Quality,” 2007 and “Female Directors and Earnings Quality,” 2011. These and other studies on the link between gender diversity and corporate performance can be found on the social science research network website: ssrn.com. See also: Pax World Investments, *Gender Equality as an Investment Concept* (2011), http://www.paxworld.com/system/storage/14/b7/f/1452/genderequality_investmentconcept_2012.pdf.

Microfinance funds have also been important in improving women's lives around the world. Today, the International Finance Corporation estimates that microfinance has reached approximately 130 million clients³⁰—and the majority of the clients are women. In Africa and Asia, microfinance has improved the socio-economic status of many women with little or no capital or credit by enabling them to start their own businesses and to reduce their economic dependence on behaviors that put them at risk of contracting HIV. Many qualitative and quantitative studies have documented how access to financial services has improved the status of women within the family and the community. When women own assets, including land and housing, they play a bigger role in decision making.

SHAREHOLDER ENGAGEMENT

A sustainable and responsible investment strategy that deserves mention is shareholder engagement and proxy voting. Publicly traded companies annually hold elections of directors to the board. When voting as shareholders in these director elections, a number of sustainable and responsible fund managers have policies of withholding votes from, or where possible voting against, all slates of director nominees that do not include women. One such manager, Pax World, then registers its concerns with the company through a follow-up letter explaining the reason for its opposition to the all-male slate, and encouraging the company to take steps to promote gender diversity and add women to its board of directors.

In addition, many SRI investors have filed shareholder resolutions to promote board diversity. Since the mid-1990s, members of US SIF as well as members of the [Interfaith Center on Corporate Responsibility \(ICCR\)](#) have filed more than 100 shareholder proposals on this issue. An initiative led by [The Thirty Percent Coalition](#) has organized a letter-writing campaign to over 150 US companies, marking the first time that institutional investors formally joined with women's groups to push for increased female representation in the boardroom. To date, 14 of those companies have appointed a woman to their boards and many more companies are in active dialogue with coalition members. Trillium Asset Management filed board diversity resolutions with a number of companies that have since elected women to their boards. A number of companies where Trillium filed resolutions have since elected women to their boards: Zimmer Holdings added a second woman to its board in December 2012; Cree elected its first female board member in December 2013; Hartford Financial elected its second woman in May 2013 and added a third woman to its board in January 2014.³¹

Some shareholder resolutions and initiatives have raised concerns about the safety and labor rights of factory workers. In April 2013, more than 1,500 garment workers were killed in the Rana Plaza building collapse in Bangladesh—most of them were young women. An investor coalition representing more than \$3.1 trillion in assets, led by Boston Common Asset Management and ICCR, encouraged companies to address systemic problems in the Bangladesh apparel supply chain. Over 130 companies have joined the European-led Bangladesh Accord on Building and Fire Safety. Over twenty five apparel companies and retailers, including Gap, JC Penney, Kohl's, L.L. Bean, Macy's, Sears, Target, VF Corporation (Timberland) and Walmart, joined another initiative, the Alliance for Bangladesh Worker Safety. ASOS and Disney are among some of the companies that have decided to avoid sourcing from Bangladesh. In October 2013, Adidas joined the Accord after Boston Common led a dialogue with the company on behalf of the investor coalition.³²

30. "Microfinance," International Finance Corporation, accessed August 3, 2014, http://www.gcgf.org/wps/wcm/connect/Industry_EXT_Content/IFC_External_Corporate_Site/Industries/Financial+Markets/MSME+Finance/Microfinance/.

31. Susan Baker, "Board Diversity and The Thirty Percent Coalition," *ProxyPreview* 2014 <http://www.proxypreview.org/>. See also: Susan Baker and Randy Rice, "Two decades Later, Trillium Still Engaging Companies on Diversity," *Trillium Newsletter*, Spring 2014, available at <http://www.trilliuminvest.com/two-decades-later-trillium-still-engaging-companies-on-diversity/>.

32. Lauren Compere, "The Real Risks Behind Cheap Clothing: Investors Take Action on Bangladesh," *ProxyPreview* 2014.

Your Investments

You can help support women’s socioeconomic advancement through your investments.

If you are a **retail investor**, you may own shares directly in individual companies as part of your investment portfolio. You are likely to have investments in mutual funds and exchange-traded funds, perhaps as part of an individual retirement account, 401k plan or other type of retirement plan. You also probably have an account in a bank or credit union.

If you are an **accredited individual or institutional investor**, you (or your institution) own shares in companies or corporate bonds, perhaps through separately managed accounts. You may also have investments in mutual funds, exchange-traded funds and loan funds as well as in depository institutions.

DIRECT OWNERSHIP OF STOCKS OR HOLDINGS IN PUBLIC EQUITIES

If you own shares in companies, you can use your rights as a shareholder to comment on company actions and policies and to raise issues of concern.

Review the company: To learn about your portfolio companies’ policies related to women’s empowerment, look on the corporate website, under the “Investor Relations,” “Governance,” “Code of Conduct” or “Sustainability” sections. Check whether the company publishes a corporate responsibility or sustainability report and if so, whether it has policies and disclosure on human rights, labor relations, diversity and corporate governance. If you are an institutional investor, you may also consider purchasing research conducted by firms that specialize in assessing companies on various issues that affect women, as well as environmental and other social and governance issues. To find a list of these firms, visit the directory of financial services offered by US SIF members: under “Directory categories,” select “Research & Index Providers.” Additionally, you may also review [Examining Cracks in the Ceiling](#), a report published by Calvert Investments that evaluates the degree to which large capitalization (“large cap”) companies are hiring, promoting and investing in a diverse workforce.

Proxy voting: At a minimum, if you directly own shares in a company, pay close attention to the management proposals and shareholder resolutions that are coming to votes at their annual meetings and be sure to vote your shares. Proxy voting is a fundamental way that investors can exercise fiduciary responsibility and weigh in on issues, including those that affect women. In addition to the proposals from management recommending directors for election or re-election, some of your portfolio companies may have resolutions proposed by shareholders.

Helpful information on [upcoming shareholder resolutions](#) is offered by the Interfaith Center on Corporate Responsibility (ICCR). If you are an institutional investor or rely on investment managers to vote your shares, make sure they are voting in accordance with your views. Proxy advisory firms are available to assist with drafting proxy voting guidelines for your institution; they can also vote your institution’s shares in accordance with these guidelines. Additionally, for background on issues being raised through shareholder resolutions, as well as lists of shareholder resolutions that have been filed for votes at US companies’ upcoming annual meetings, please see [As You Sow Foundation](#) and the [Sustainable Investments Institute](#) (Si2).

Filing a Resolution: You may also wish to file a shareholder resolution. You are eligible to file a resolution if you can document that you have owned \$2,000 worth of the company’s stock for a year as of the date you file the resolution. If you are an individual or retail investor who doesn’t meet the \$2,000 threshold on your own, or if you prefer to do this with others, you can collaborate with other shareholders—or “co-filers.” To find the deadline by which your resolution must be submitted to be considered for inclusion in a company’s proxy statement for next year’s annual meeting, find its most recent proxy statement on the “[Edgar](#)” site of the SEC. Enter the company’s name where indicated. After selecting the correct company from the list, you can type “DEF 14A” under “Filing Type” to access the company’s definitive proxy statement. The deadline for filing shareholder resolutions is usually given under “Other” or “Additional” information in the proxy statement, and will typically be about five and a half months before the next annual meeting. The same section of the proxy statement will give the name, title and address of the corporate officer to whom the shareholder proposals should be submitted. Your shareholder resolution must also meet certain other requirements established under rules administered by the SEC. Proposals are limited to 500 words and cannot contain false or misleading information or be motivated by a personal grievance. In addition, you or your designated representative must attend the annual meeting in person to present the proposal formally.

To find models to follow in drafting your resolution, you may wish to consult the [list of shareholder resolutions](#) filed by investors affiliated with the Interfaith Center on Corporate Responsibility.

FIXED INCOME (DIRECT HOLDINGS)

You can screen corporate bonds the same way you screen public equities, for instance by giving preference to issuers that have gender-diverse boards or that support initiatives to advance women. Some of the research firms listed in [US SIF's Financial Services Directory](#) provide research on corporate bond issuers.

MUTUAL FUNDS AND EXCHANGE-TRADED FUNDS

Rather than (or in addition to) owning stocks or corporate bonds directly, you or your institution may also own shares in mutual funds and exchange-traded funds that invest in stocks and bonds.

Learn about the funds: You can learn about a fund's investment philosophy from its online summary prospectus. The prospectus will note if the fund takes social responsibility or corporate governance and business ethics concerns into account in selecting its portfolio. Funds that invest in stocks (equities) also have a responsibility to vote their shares (proxies) in portfolio companies, and are required to provide a record of how they voted, called an "N-PX" report, under rules issued by the SEC. The report will list each resolution and whether it was proposed by the company management or by shareholders, how the fund voted ("for," "against" or "abstain") and whether that vote was "for" or "against" the company's recommendation. N-PX reports are lengthy, so you should search by key words, such as "diversity," "discrimination," "board diversity," and "human rights" or the names of companies where you know or suspect that such resolutions were voted.

Express views to fund management: If you don't see evidence that the funds in which you are invested have thoughtful voting or investment policies on empowering women, contact the fund company to express your concerns. You should be able to find a general, toll-free telephone number on the website of the mutual fund company under "Contact Us" or "Open an Account." Mutual fund companies are sensitive to customer opinion. You should not hesitate to express your concerns and suggestions. Remember that the shares you own in mutual funds are ostensibly being voted on the behalf of you and other clients. Moreover, fund companies are likely to develop or modify their products if they believe there is sufficient customer demand.

Switch funds: If you are able to do so, you may also wish to switch funds. A good place to start is the [list of mutual funds](#) offered by members of US SIF. By clicking on the screening and advocacy tab, you can see which equity funds focus on diversity and fair employment and which file shareholder resolutions or communicate with portfolio company management on environmental, social and corporate governance issues. The proxy voting tab provides quick links to the funds' proxy voting guidelines and records. Many of the US SIF member funds vote thoughtfully on efforts that help empower women. They are likely to support resolutions to promote board diversity, disclose human rights policies and working conditions in their supply chains, and combat human trafficking, among other issues.

BOX 4: FINDING PROFESSIONAL INVESTMENT HELP

If you are a retail investor and seek to advance women's rights, or incorporate other social, governance and environmental related investment strategies, you may want to enlist the assistance of a financial advisor to discuss strategies appropriate for your age, investment objectives, risk tolerance and return expectations. A good place to start is the [directory of financial services](#) offered by US SIF members, as they have expertise in sustainable, responsible and impact investing options and strategies. Under "Directory Categories," retail investors can select "Financial Advisors and Brokers" and institutional investors can select "Investment consultants."

If you are an accredited or institutional investor, you may also wish to employ the services of an investment management firm that specializes in sustainable and impact investment approaches. A good place to start is US SIF's online chart of "[Separate Account Managers in Sustainable and Responsible Investing](#)." Many of these firms assist clients in filing shareholder resolutions on environmental, social and corporate governance issues, including diversity/EEO issues, human rights and labor relations. You may also want to enlist the assistance of a financial advisor or consultant with expertise in sustainable and responsible investing options and strategies.

Demand SRI options in retirement plans: For retail investors, if your IRA, 401k or retirement plan platform does not offer funds with thoughtful policies on advancing women, request your investment advisor or investment committee to make such options available. In a recent survey of retirement plan sponsors, the US SIF Foundation found that requests from participants are important in determining whether SRI funds are offered. Among the survey respondents that do offer SRI options, nearly a quarter said they were influenced by participant requests. And of the plan sponsors that did not offer SRI options, 71 percent said they had never received recommendations or requests to do so. For institutional investors, if your institution's retirement plan does not offer funds with thoughtful policies to advance women, consider adding some to the plan lineup. You may wish to share the US SIF Foundation's [Resource Guide for Plan Sponsors](#) with your plan's investment committee.

ALTERNATIVE INVESTMENTS

Alternative investments—specifically private equity, venture capital, property, real estate and hedge funds—have become one of the most dynamic segments within the sustainable and impact investing space. Numerous resources and networks exist for accredited investors interested in alternative investments geared toward women's empowerment. A short list includes:

- [Investors' Circle](#): the oldest, largest and most successful early-stage impact investing network. Together with hundreds of angel investors, venture capitalists, foundations and family offices, they have propelled \$172 million plus \$4 billion in follow on investment into 271 enterprises dedicated to improving the environment, education, health and community. Their focus areas include Global Economic Development and Global Health Delivery.
- [ImpactBase](#): a searchable, online database of impact investment funds and products designed for accredited investors.

BANKS, CREDIT UNIONS AND LOAN FUNDS

You may wish to open accounts in, or purchase certificates of deposits and other cash instruments from banks and credit unions that have a commitment to financing women-owned businesses, non-profits that serve women and affordable housing in low and-middle income communities. To find a credit union or bank committed to assisting women or supporting low and moderate income communities, please visit:

- [National Federation of Community Development Credit Unions](#)
- [National Community Investment Fund](#)
- [Community Development Bankers Association](#)
- [Global Banking Alliance for Women](#)

Two sources of information on community development loan funds active in the United States are [Opportunity Finance Network](#) (OFN) and [Aeris](#). OFN provides a "[CDFI Locator](#)," an online directory of loan funds (and other financial institutions) that are certified by the US treasury as Community Development Financial Institutions, searchable by the states served and the type of lending provided (e.g. microenterprise, affordable housing, etc.). Aeris offers an online search guide to CDFI loan funds that have undergone its extensive due diligence evaluation. Its [CDFI Selector](#) enables investors to search for investment opportunities by impact area, including women, food access, healthcare and education.

More background on community development banks, credit unions and loan funds can be found in [Options and Innovations in Community Investing](#), available on US SIF's website.

BOX 5: IMPACT INVESTING EXAMPLES.

Since the end of apartheid in 1994, [Shared Interest](#) has mobilized US investors, philanthropists, corporations and faith-based organizations to invest in South Africa by providing microfinance organizations, agricultural cooperatives, small businesses and low cost housing organizations with access to capital. More than two million black South Africans—the majority of them women—have benefited from Shared Interest’s \$15 million loan guarantees and technical support from South African partner, Themban International Guarantee Fund, to create jobs, launch small businesses, and build affordable homes. Shared Interest reported that during the past seven years, its guarantee to Small Enterprise Foundation (SEF), South Africa’s most successful group savings and borrowing institution, has helped SEF increase its client base from 18,000 to 70,000 low-income rural women in the provinces of Limpopo, Mpumalanga, North West and the Eastern Cape. Additionally, women constitute 74 percent of clients of Kuyasa, a Shared Interest partner that extends credit to low income clients to build or improve houses.

[Agora Partnerships](#) is an impact investing organization that advises and works with 400 small and growing businesses—40 percent of which are owned and operated by women—to fight poverty in El Salvador, Honduras, Nicaragua and other Latin American countries. Since 2011, Agora’s Accelerate Women Now program has connected 43 companies with investors and brokered more than \$4.1 million in capital investments for them. The 18 women-owned and co-owned businesses—from 11 countries—accepted into the 2014 Agora Accelerator include enterprises that are providing affordable solar lighting in Peru, market access and employment for artisanal communities in rural Guatemala, training programs and employment opportunities for the visually impaired in Mexico, and financial education and access for the ‘bottom of the pyramid’ populations in Colombia.³⁴

Your Community

In addition to your own investment accounts, you or your institution may also have some ability to influence the investment actions of organizations on whose boards or advisory committees you serve, or with which you have other connections. This includes non-profit organizations, university endowments, religious institutions and local government operating funds and pension funds. Consider asking the investment committee or trustees how they vote proxies on resolutions relating to board diversity, EEO, non-discrimination and other issues related to women’s empowerment. Additionally, ICCR invites investors to endorse its guidance document, [Statement of Principles and Recommended Practices for Confronting Human Trafficking and Modern Slavery](#) and to use it in their work.

ABOUT THIS GUIDE

Investing to Advance Women is part of the US SIF Foundation’s “[How do I SRI?](#)” series of practical guidebooks. Each guide focuses on a social or environmental problem and the strategies through which investors can address it. US SIF Foundation thanks the Wallace Global Fund for its support of these guidebooks.

Disclaimer: This report is provided only for informational purposes and does not constitute investment advice.

34. “About Accelerate Women Now,” Accelerate Women Now, accessed August 3, 2014, <http://acceleratewomennow.org/about/>.



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