Date of Session: February 19, 2019

Title of Session: Just Good Investing: How to invest (and measure) with a gender lens

Session Description: In this hands-on breakout session, investors will have a chance to test our ‘real world’ screening tool and come away with a practical strategy to invest and measure impact with a gender lens. We will also discuss our latest report and analysis of 10+ years of gender data, https://www.calvertimpactcapital.org/insights/gender-report, Just Good Investing, which shows a strong relationship in our portfolio between gender diversity and financial performance.

Speakers:
- Caitlin Rosser, Calvert Impact Capital

Session Objectives:
Session attendees will learn about the screening tool and framework that Calvert has developed and implemented within its own portfolio. Caitlin will also discuss the “why” and the “how” of gender impact investing – some may have thought the business case had been made in the investing world, but many investors are still asking why they should be investing with a gender lens.

Lead Discussants’ Remarks:
Why is gender not being integrated?
- Lack of evidence (why)
- Lack of practical guidance (how)

Caitlin first addressed the issue of why we should be investing in gender lens by presenting the empirical evidence that Calvert has collected and analyzed from its own portfolio, showing the benefits it has experienced by investing in a gender-diverse portfolio. (see presentation for data)

Moving on to How:
Once people get over the “why” hurdle, they tend to jump to metrics – rather than assessing what they want to collect, if they have the capacity to do so, and understanding how different capital provides different value and has different limitations.

Determining your gender lens approach: underwriting questions

- What is your sphere of influence: For Calvert, where the company found an opportunity to increase gender outcomes in its portfolio was in the renewable energy space.
  - This is was identified by seeing where [addressable market/demand for our capital] + [investment asset] + [impact focus] intersect.
- How to execute your own strategy: Investing Framework for Gender Equity
- What approach would work best for your organization or fund?
- Execution: Metrics and Milestones
Q&A Overview:

Q: The idea of gender beyond just male and female (transgender, for example) – do you track this?
A: We track it, but we don’t have reliable enough data to include it in our analysis beyond the traditional male female dichotomy. I haven’t seen any exemplary cases in the private sector. Criterion Institute in Toronto Canada is promoting these cases. (see Links/Resources below)

Q: Do you have any ideas on what kind of capital is needed in Central America?
A: From our experience, we have found opportunities around scale-stage debt – this is what we’ve heard from our stakeholders but what’s needed in the market will come from the ground up.

Key Takeaways from the most recent report:

1. Greater gender diversity yields dividends – on average, its clear that greater gender diversity = better financial performance (particularly ROS).
2. Diversity is important – the ratio of female to male positions is significant, not just the number of women
3. Women in leadership positions is particularly important – critical to financial performance, and particularly for senior management positions (not as applicable to board positions, per Calvert’s findings).
4. Location matters – there are significant differences in the dataset from a domestic vs international standpoint that reflects the trends we observe above, but with more intensity.

Key takeaways for developing a gender lens investing + IMM strategy
- Implement from the ground up, influence and support from the top down
- Set realistic expectations based on the type of capital you have
- Understand the tools at your disposal
- Consider context when setting milestones and collecting data
- Being a conversation
- Be open
- Start!

Links/Resources mentioned or discussed during session:
- Report: Just Good Investing: Why gender matters to your portfolio and what you can do about it
- Criterion Institute out of Toronto Canada