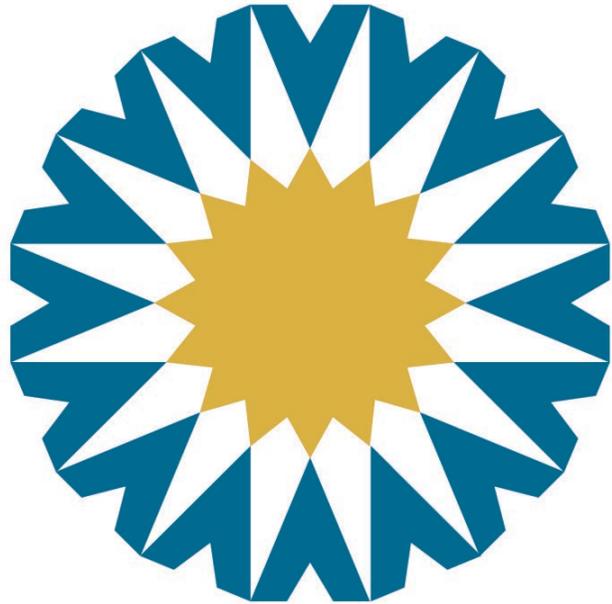


CRITERION INSTITUTE  
in partnership with

TIEDEMANN  
— ADVISORS —

# Investing to Address Gender Based Violence

November 2021



Introduction of the Issue

Four Approaches to Activating

- Values Aligned
- ESG Integrated
- Thematic
- Catalytic

Moving the Field Forward

# Introduction to Gender-Based Violence (“GBV”)

## Gender Based Violence is Pervasive and Costly

**35%** of women globally are subjected to physical or sexual violence at some point in their lifetime.  
*(And that's not even including incidents of sexual harassment.)*

It affects every country, every sector, every racial, age and income demographic.



### It's economically costly as well. In the U.S. alone:

- The annual cost of lost productivity due to domestic violence alone is estimated at **\$727.8M** (with 7.9 million lost workdays) each year.
- Over the victims' lifetimes, it's estimated the cost of intimate partner violence to the U.S. economy is roughly **\$3T**.
  - **59%** of that total is related to medical costs
  - **37%** due to lost workforce productivity
  - **2%** in criminal justice costs
  - **2%** in other costs, like property damage or loss

## Understanding Gender Based Violence

---

*“An umbrella term for **any harmful threat or act** directed at an individual or group based on actual or perceived biological sex, gender identity and/or expression, sexual orientation, and/or lack of adherence to varying socially constructed norms around masculinity and femininity. **It is rooted in structural gender inequalities, patriarchy, and power imbalances.**”*

– U.S. State Department

---

## But Gender Based Violence IS Preventable

International evidence by the United Nations, European Commission, World Bank and World Health Organization is consistent in identifying **gender inequality as a key cause of gender-based violence.**

This research has found evidence that the below gendered structures, norms and practices drive higher levels of violence against women:

- Social norms and institutional practices that excuse, justify or tolerate gender-based violence
- Men's control of decision-making and limits to women's social and economic independence
- Rigid gender roles and identities that contribute to stereotypes
- Male peer relations that reward and condone aggression and disrespect towards women

Most strategies focus only on greater representation of women in an organization. But to truly mitigate the issue, we need to turn our focus on investments that support **gender equality** allowing women and gender diverse people **greater power** in markets, supply chains, families and communities.

# Four Approaches to Activating

# Impact Investing Spectrum of Capital

		Impact Investing					
		Conventional Investing	Values-Aligned	ESG-Integrated	Private Thematic	Catalytic	Philanthropy
DEFINITION	Profit-Only Investing Limited regard for impact	Passive Impact Investing based on ethical guidelines	Impact Risk & Opportunity Mitigate risk and enhance value	Equal Priorities Seeking positive impact in a particular theme & competitive return	Impact over Return Prioritizing social and environmental impact over financial return	Redistributing Wealth Seeking positive impact with no expectation of financial return	
	“Business as Usual”	Screen out GMOs and tilt the portfolio towards environmental stewards	Reduce exposure to E&P oil and gas companies and invest in renewables	Investing in education technology	Investing in patient low-cost capital into CDFIs and innovative investment models	Gifting capital to causes aligned with your impact goals	
EXAMPLE							



We acknowledge that there are still many limitations, no perfect solutions, and that data is still opaque and/or difficult to obtain, at best. **There are no succinct answers but there are actionable steps.** Possibilities are endless if those seeking transformation can align and coordinate how best to push for systems change.

## Values-Aligned Approach

*More a cleaver than a scalpel, but effective at removing outsized exposures to GBV*

### Gender Based Violence is Ubiquitous

You cannot remove it entirely, but you can screen out those areas where it is most prevalent.

#### Industry and Sector Screens:

- Hotels, Restaurants & Leisure
- Health Care Providers & Services
- Construction & Engineering
- Real Estate Management
- Agriculture
- Private Prisons
- Adult Entertainment

#### Company Exclusions – Those engaged in:

- Child Labor
- Human Trafficking
- Human Rights Controversies
- Labor Rights Controversies



Applying all these screens would **omit around 500 stocks** from the MSCI All Country World Index (or about 30% of the index) and would **result in a relatively small Tracking Error of around 1.6%**.

## Values-Aligned Approach – Cont'd

*Shareholder Engagement can be a powerful tool to incite change.*

*Values-aligned approaches often involve holding stocks directly, so investors have agency in how they vote their proxies or otherwise engage as shareholders.*

### Frequent Resolution Areas

- Gender Representation Disclosure
- Commitment to Board Diversity
- DEI Policy and Progress Efficacy
- Congruency of Political Expenditures and Co. Values



### CASE STUDY

#### Adasina's "Force the Issue" Campaign

- Identified a single corporate policy, requiring forced arbitration in sexual misconduct allegations, and build a campaign aimed at ending the practice.
- Research showed that it disproportionately affected women, particularly BIPOC and low-income.
- Arbitration cases require non-disclosure by victims, regardless of outcome.
- Companies are not required to disclose internal policies, so campaign created a "Race to the Top" and went from 5 companies to 391 in only 2 years.

## ESG-Integrated Approach

Active security selection that recognizes the value of understanding GBV risks.

Industry-Specific Risks

Country-Specific Risks

Company-Specific Risks

Regulatory Risks

Political Risks

Reputational Risks

Operational Risks

**Gender Based Violence Carries Significant Costs**  
Incorporating GBV exposure in investment analysis could enhance risk management and results.



Through increased awareness and mitigation campaigns, gender-based violence is becoming increasingly more visible and less tolerated. One could *envision a future where* gender-based violence is no longer condoned anywhere and those *companies perpetrating harmful norms are rendered obsolete.*

# Thematic Strategies Approach

Move the field forward by incorporating GBV terms into other impact strategies

## Perform A Gender Assessment of Any Strategy

### Gender Blind

Ignoring gender in how capital flows can shape norms or equality. Gender is not considered when determining the investment program or design.

### Gender Aware

Investments that consider how gender (and other factors like race and age) might shape the power dynamics in a sector or thematic investment area.

### Gender Responsive

Investments that acknowledge and recognize the sources of gender inequality and take meaningful steps to curtail them when possible.

### Gender Transformative

Actively investing with the mindset of changing fundamental gender norms and stereotypes that shape inequality.

INVESTMENTS  
WHICH  
ACTIVELY  
PROMOTE  
GENDER  
EQUALITY



Even the most well-meaning initiatives can have *unintended consequences* because a gender analysis was not performed.

# Thematic Strategies Approach

*Move the field forward by suggesting GBV terms into other impact strategies*

When investing in Thematic Impact Strategies consider:

1

There's a direct link between gender empowerment and reduction in GBV

2

Consider who is making the investment decisions

98% of asset management is white men\*

3

See GBV in all other impact strategies.

Dig deeper.

Ask questions.

Make requests like term changes.

# Catalytic Impact Strategies Approach

*Here lies the potential to address GBV root causes, change norms and shift power dynamics*

## Reimagine Investment Structures

- ✓ **Blended Finance** where public and private capital support construction of emergency shelters
- ✓ **Public / Private Partnerships** can drive new ideas for safer transportation options
- ✓ **Loan Guarantees** to reduce the cost of capital for womxn entrepreneurs globally

## Simulate Innovation to Address Gender Norms

- ✓ **Invest in Media and Film** aimed at shifting harmful gender norms
- ✓ Invest in companies creating safety apps, financial technologies, or **online resources** for women seeking safe and equitable employment (like [InHerSight](#))
- ✓ Invest in **new business accelerators** focused on gender safety and/or empowerment

## Strengthen Response to GBV in Communities

- ✓ **Community Development Finance Institutions** play a critical role in community, helping finance affordable housing, childcare, entrepreneurship, and other financial services.

# Moving the Field Forward

## Steps to Move the Field Forward

Use your actions to catalyze others, there's power in advocacy



### CASE STUDY

**Trustees United** publicized a set of principles to guide their collective **\$635 billion** in assets to prevent and reduce sexual harassment and violence\*

### Discuss GBV with asset managers

- Offer resources on where to find GBV data
- Discuss how best to use GBV data
- Signal to managers that this is an important area of consideration
- Provide example due diligence questions

### Structure investments in ways that mitigate GBV risks

- Require training, policies and reporting around sexual misconduct and harassment
- Encourage gender analysis and empower diverse decision making
- Negotiate terms that restrict harmful actions or mitigate unintended consequences, as well as those that incentivize positive GBV outcomes

## Important Disclosure Information

This information consists of the research and opinions of Tiedemann Advisors, LLC (“Tiedemann”) and the Criterion Institute (“Criterion”) and is in no way intended to be considered investment advice. This information is provided to discuss general market activity, industry or sector trends, or other broad-based economic, market, social or political conditions. Opinions regarding the suitability of investment approaches and/or investment instruments are not tailored to any specific client or investor, do not constitute recommendations, and are solely provided to facilitate discussion. This information is not a recommendation, or an offer to sell, or a solicitation of any offer to buy, an interest in any security, including an interest in any investment vehicle managed or advised by Tiedemann or its affiliates. Neither Tiedemann nor Criterion make any representation as to the performance metrics of any third-party impact organizations or the achievement of underlying impact goals. Where applicable, achievement or compliance with these metrics should be evaluated over the longer-term rather than any shorter time periods indicated. No representation is made that any client or investor will or is likely to achieve its objectives (including ESG, impact, and other similar objectives) or that any client or investor will make any profit or will not suffer losses or loss of principal. Individual investor portfolios must be constructed based on the individual’s financial resources, investment goals, risk tolerance, investment time horizon, tax situation and other relevant factors. You should consult with your tax and legal advisors prior to making any investments or entering into any wealth planning or trust arrangements. Any historical value is as of the date indicated. Information and opinions are as of the date of this material only and are subject to change without notice. Any statements, assertions or the like (collectively, “statements”) regarding prior or future market, social or other events, or views about investing, are based upon our or a source’s expectations or beliefs, should not be relied on and involve inherent risks and uncertainties, both general and specific, many of which cannot be predicted or quantified and are beyond Tiedemann and Criterion’s control. Future evidence and actual results could differ materially from those set forth in, contemplated by, or underlying these statements. In light of these risks and uncertainties, there can be no assurance that these statements will prove to be accurate in any way. Information given herein is believed to be reliable, but Tiedemann and Criterion do not warrant its completeness or accuracy nor does either party assume any obligation to update or revise such information. Certain information has been provided by and/or is based on third-party sources and, although believed to be reliable, has not been independently verified and Tiedemann and Criterion are not responsible for third-party errors. Additional information is available upon request. ©2021 Tiedemann Advisors