

FACTSHEET: Gender-lens Investing

Top Tips

February 2024

Over the past couple of years, the many foundations in the Communities for Gender Equality (CGE) cohort have been learning about the theory and practice of gender lens investing and how they might adopt it in their own portfolios. CGE supports long-term systemic change in four main settings including personal, governance, institutional, and community. To create communities of true belonging, we need to advance gender equality across the country. In 2019, Community Foundations of Canada (CFC) became one of the founding partners of the Equality Fund, a groundbreaking collaboration that will deliver new momentum for women's movements from coast to coast to coast, and around the world. Since 2019, the pilot, cohort 1 and cohort 2 have supported women, girl, gender-diverse and Two-Spirit-led and serving organizations from coast to coast to coast.

For some foundations, the idea of investing in support of gender equality began as a very nascent idea; for others in the cohort, this work has been a good 'next step' program to enhance the work already being done. Regardless of which stage you and your foundation are at, we hope this factsheet augments the learning and work you've done up to now and enables you to go further in your impact-investing journey in support of gender equality.

With a large number of products available, addressing a myriad of gender issues, the opportunity is here, the time is right and the need too great to ignore.

Checklist

Ready to invest in support of gender equality? Please review this checklist:

- ✓ Gender is explicit in your investment policy strategy (IPS) – perhaps in the objectives, asset allocation or impact themes sections. Investment decisions are guided by your organization's IPS so gender equality goals really should be in there explicitly. (See the

earlier CFC guide, “[Adapting your Investment Policy Statement](#)” for more information)

- ✓ Your investment manager shares your commitment to gender equality and displays that in their own commitments, process and governance (See the earlier CFC guide, “[Working with Investment Managers](#)” for more information)

- ✓ You are aware of general state of gender-alignment in your investments. You may have worked with managers or external consultants to perform a gender inclusion audit of your current holdings. For private investments, the audit may have included an examination of product issuer, the product’s impact thesis and investment strategy and a look at underlying holdings. For public equities, the audit may have included information about the gender equality practices in the fund holdings or an examination of what gender screens the manager uses when making investment decisions. With all holdings, you will have considered the operations of the company or fund manager as well the impact of goods and service

Top Tips

Think widely

Supporting gender equality may be an explicit intention of a product. Even if it isn’t, the product may be supporting gender equality in a broader way, for example by aiming to improve children’s lives, build affordable housing or increase employment prospects.

Consider all asset classes

A gender lens can be found across asset classes, if you look hard. Phenix Capital Group’s [November 2023 review of its impact database](#) of 2,490 global funds found that impact products with a gender lens make up 17% of funds – 20% in the private equity and real assets classes.

Consider a wide range of sectors

You’re likely to find gender-aligned products in many different sectors but here are a few key ones: healthcare; education; employment; financial services and technical assistance; affordable housing; community development; agriculture and food systems; and tech, including ‘femtech’ (technology addressing health and wellness concerns that solely, disproportionately or differently affect women, girls, non-binary folks and trans people).

When thinking of the population group impacted by a product, you may wish to think beyond women and non-binary people to consider immigrant populations, people on a low-income or unemployed people – that is, groups that don't pull out gender explicit but by their nature would include vulnerable women.

Remember that Gender is in all SDGs

Your foundation may have a focus on several Sustainable Development Goals (SDGs) that aren't SDG 5: Gender Equality. But the United Nations makes clear that integrating gender equality and women's empowerment is integral to achieving *each of the 17 SDGs*. So whichever SDGs your organization is most concerned with, you can align with those SDGs while still considering gender.

As the UN says in “Why Gender Equality Matters Across All SDGs,” “Gender equality and the empowerment of all women and girls is not only an explicit goal under the 2030 Agenda but also a driver of sustainable development in all its dimensions, from ending poverty and hunger, promoting prosperity and inclusive growth and building peaceful, just and inclusive societies to securing the protection of the planet and its natural resources.” For example,

- SDG 1: “Research shows that more cash in the hands of women contributes not only to eliminating poverty but also to better education, nutrition and health outcomes for children and other members of the household.”
- SDG 11: “Women have equal rights to the city, and their safety in public spaces is crucial for sustainable urbanization.”
- SDG 12: “Unsustainable production and consumption patterns are gendered, with women suffering disproportionately from resource scarcity and natural disasters resulting from climate change.”

Read more:

UN Women, “[Why Gender Equality Matters Across All SDGs](#)”

UN Women, “[Women and the Sustainable Development Goals \(SDGs\)](#)”

OECD 2020, “[Applying a Gender Lens on the SDGs](#)”

UN Women, “[What Does Gender Equality Look Like Today?](#)”

Community Foundations of Canada is grateful for the collaboration of Rally Assets in creating this factsheet for community foundations.





Disclaimer

Rally Assets considers third-party information and data presented herein to be reliable but cannot guarantee its accuracy. Opinions expressed herein are current as of December 2023 and are subject to change without notice.

The information provided in this document is provided as a general source of information and not an investment recommendation. While the information is considered to be true and correct at the date of publication, change in circumstances after the time of publication may impact the accuracy of the information. Rally Assets reserves the right to add, remove, vary or alter the information and materials contained in this document.

This document may contain "forward-looking information" as defined in Canadian securities regulations. Forward-looking information involves estimates, projections and known and unknown risks. The actual performance of or other achievements by the potential investment examined herein may be materially different from those expressed or implied in the forward-looking information. Wherever possible, words such as "anticipate", "believe", "expect", "intend" and similar expressions have been used to identify these forward-looking statements. For greater certainty, information regarding a security's or a firm's past performance, whether that information is actual or simulated, is not a reliable indicator of future performance and should not be relied upon as a basis for an investment decision.

There are risks associated with investing in securities. The security described herein may be subject to considerable fluctuations in value and the loss of principal is possible.