



# Summary of the GLIS Report 2022

This year's edition of the GLIS report provides a summary of industry developments and trends between July 2021 and June 2022 with regards to SDG5, Gender Equality, and the gender lens investing (GLI) landscape on the global stage and in Switzerland.

The GLIS report also outlines the achievements of the initiative in the past year: appointing a new Vice President of the GLIS, Sarah Djari of ResponsAbility Investments; hosting a GLI event at the Building Bridges conference in Geneva in November 2021; sponsoring the incorporation of 10 gender-relevant questions in Tameo's annual Private Asset Impact Fund Survey; hosting its first anniversary webinar on International Women's Day 2022, and two webinars showcasing the EDGE Certification procedure and innovative gender-lens products.

Finally, this year's report contains multiple market insights from GLIS partners including:

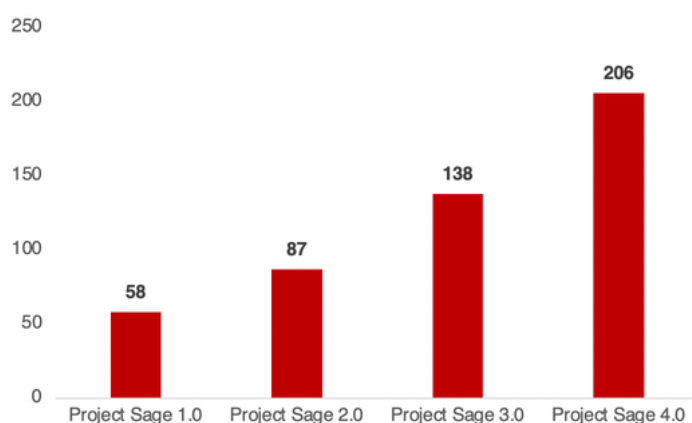
- Phenix Capital
- Equileap
- UN Women
- AlphaMundi Group
- EDGE Certification
- ResponsAbility Investments
- 2X Collaborative
- Tameo
- Women in Sustainable Finance
- Swiss Impact Investment Association
- Luxembourg Stock Exchange
- The Equal-Salary Foundation

# Main findings

SDG5, Gender Equality, is the 4th least financed SDG. Investing in women makes good business sense: gender-diverse companies are more innovative, resilient, and profitable. Global gender trends reveal clear gaps that warrant further funding to recover from the pandemic and its gender impact, create an equitable 'care economy', work towards financial inclusion, or emphasize women-led climate change solutions.

The global market for GLI is steadily growing. The research of Project Sage 4.0 has showed an increase in gender-lens funds of almost 50% in the past year. According to Project Sage 4.0, Phenix Capital, and Bloomberg, there are, as of August 2022, 304 open or evergreen gender-lens funds, including products soon coming to the market.

Number of global gender-lens funds



Switzerland generally performs well in most international rankings on gender equality and, in 2019, contributed USD 57.98 million out of the USD 6,203 million provided for SDG5. In 2020-2021, 8 new gender-lens funds were launched in Switzerland. However, no new GLI funds have been created in the past year. GLIS analysis of market data also suggest that Swiss companies are often not gender-considerate enough to be included in the portfolios of gender lens investors.

## Gaps in the Swiss GLI ecosystem – and opportunities to address them

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Within the Swiss landscape, the report identifies gender gaps that key stakeholders might address:

- \* **Women in leadership.** It is difficult for Swiss women to break through the glass ceiling, with research estimating only 2% of CEOs, 15% of executives, and 8% of board chairs are women. Switzerland ranks poorly on this front compared with other European countries. With the proven higher performance of gender-diverse teams and leadership, improving these numbers should be a high priority for Swiss corporations and financial institutions.
- \* **Number of gender-lens funds.** While the global number of gender-lens funds is increasing, Switzerland is still lagging and could show more initiative to become an international torchbearer for gender-lens products. The launch of new GLI products could be facilitated by blended finance instruments and the support of institutions like SIFI.
- \* **Few Swiss companies enhance their gender practices by GLI standards or gender certification.** As of June 2022, only 15 Swiss companies held an EDGE Certification, and 6 Swiss organizations were members of the 2X Collaborative. Becoming certified or incorporating 2X Criteria in business policies and practices are critical steps to systematically achieve diversity, social inclusion, enhanced performance, and market credibility from a sustainability perspective.
- \* **The data gap.** The Swiss federal state has only released two reports on its progress on SDG5 since 2015, and there is insufficient data on the GLI market in Switzerland.
- \* **Advancements in gender equality at the policy level.** While gender equality is guaranteed by Swiss law, the fact remains that policy reinforcement is required to achieve gender equality in Switzerland. For example, companies are expected to disclose their gender pay gap, but adverse consequences are lacking for those companies that don't comply with that requirement or fail to address such gaps.

The GLIS report outlines the following opportunities to take more robust action on gender matters:

### Companies

- Develop HR policies that enable equal opportunity for women, including:
  - Fair and equal pay
  - Flexible working arrangements
  - Anti-harassment training & policy
  - Gender-neutral parental leave
- Publish equal pay reports
- Create company policies that support the creation of a gender-balanced workforce, leadership, and board
- Apply for and receive an EDGE certification and/or an Equal-Salary Certification

### Investors

- Develop strategies following clear target criteria in the investment process, like the ones developed by 2X: invest in businesses founded, majority-owned, **or** partially led by women, **or** with a substantial share of women in the workforce, **or** with products and services that disproportionately benefit women
- Monitor the evolution of these criteria in portfolio companies
- Proactively encourage portfolio companies to improve gender lens policies or get a credible gender-lens certification

## Policymakers

- Implement voluntary or obligatory quotas for gender-balanced boards and senior leadership. Legislation in the UK and France are proven cases that national policy initiatives can be transformative and sometimes indispensable for enterprises' gender balance and overall performance
- Assess policies that can address the 'baby bias', which is the main reason that Swiss women's largest window for a promotion into management on average is between 31-40 years of age, whereas, for men, it extends from 31-50 years. There are reference cases available; France, for example, instituted flexible work policies for pregnant women to combat this bias through a policy measure

## Actors in the broader ecosystem

- Support and assist with programs or projects that aim to develop research and data relevant to GLI in Switzerland.

## Statements of support

“There is still a low level of awareness about gender lens investing among Swiss financial market participants. GLIS has been working tirelessly to address this knowledge gap. While it might take some time before gender equality catches up to other popular sustainability themes such as climate, GLIS is well positioned to accelerate the integration of gender considerations in financial services and products.”

**David Uzsoki | Sustainable Finance Lead, IISD**

“High quality, granular data is essential in making Gender Lens Investing a success internationally and in Switzerland. We are happy to provide the necessary data to assist asset managers in creating investable products that generate impact and help close the gender equality gap. In championing transparency, accountability, and specialised data, we are one step closer to reaching workplace gender equality.”

**Diana van Maasdijk | CEO, Equileap**





“In many parts of the world, women are still excluded from economic activities and financial services. If we want to reduce the gender gap in the global economy, we need to make sure women have access to the same education, opportunities and financing as their male counterparts. This is why gender finance and gender lens investing are so important.”

**Julie Becker | CEO, Luxembourg Stock Exchange**

“Pension funds are among the world’s largest investors. In Switzerland alone, pension funds manage assets of some 1’200 billion CHF. This brings an enormous responsibility to invest these assets in a financially, but also socially and environmentally sustainable way. There is no other way to ensure sustainable economic growth, political stability, and a healthy planet.”

**Nicole Martins-Maag | Board Member, ICRC Pension Fund**

Should you want to contribute to or participate in GLIS activities, engagement opportunities are outlined in the report, and you may email [info@sfgeneva.org](mailto:info@sfgeneva.org) for more detailed information.