

# Gender-Smart Investing Resource Hub

## FAQs: Using the ICRW Gender Scoring Tool

### 1. Who should use the Gender Scoring Tool?

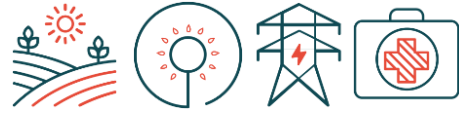
- The sector-specific Gender Scoring Tool is a survey intended for investors to use in screening or due diligence processes for potential investees, and/or in assessing existing portfolio companies.
- The survey can be completed by *fund managers* or *gender leads* at the impact investing firm or organization who have detailed information about the company's composition and value chain. Alternatively, a team of senior staff members at the company including a human resources (HR) professional can fill out the survey directly.

### 2. What types of questions does the Gender Scoring Tool include?

- Questions are organized into two sections: Gender Equity in the Workplace, and Gender in the Value Chain. Questions span from leadership commitment, to organizational policies, to marketing and operational approaches throughout the value chain. There are also introductory questions on the business, which do not affect the gender score.

### 3. What does this require?

- For fund managers or gender leads using the tool, the individual will need to consult the company. Given the comprehensive nature of the scoring tool, this will include informants from HR, as well as senior personnel involved in strategy, marketing and other key functions.
- ICRW recommends that investors:
  1. Download the Excel form User Version from the corresponding sector page;
  2. Read through the questions; and
  3. Either...
    - a. **Gather and input information directly into the web-based tool:** Investors can gather the necessary background data, through a phone call or alongside staff at the company in-person; or
    - b. **Have companies provide information directly or indirectly:** Investors can send the Excel form to investees, who may complete and return the form for the fund manager to input online. A contact at the company can also gather and input all information into the web-based tool directly, and send their scorecard results to the fund manager or gender lead.
- **For accountability using either method, investors may request relevant company policies** before completing the survey in order to verify responses. Time constraints may preclude this good practice; however for those interested in verifying responses, investors should obtain copies of the following:
  - Equal Opportunities Policy
  - Gender Strategy and/or Diversity & Inclusion Strategy
  - Anti-Sexual-Harassment and/or Whistleblower Policy
  - Parental Leave Policy
  - Flexible Work and/or Telecommuting Policy
  - Health Care and other benefits policies



- Sector surveys pose between 35 and 40 questions. Time required for the assessment depends on the user’s familiarity with company and the company’s readiness to provide information. Once all background data is collected, completing the survey may take approximately 20-30 minutes and will immediately result in a custom scorecard.

**4. Is the tool confidential?**

- Yes. There is no identifiable information collected through the Gender-Smart Investing Resource Hub. By submitting a completed Gender Scoring Tool form, users receive customized scores and agree to share anonymized information about the company under assessment with the owner of the tool (ICRW). Responses are confidentially and securely stored and may be used for purposes of aggregation, analysis, and industry benchmarking. Basic information provided at the start of the survey can help ICRW Advisors aggregate, analyze, and provide benchmarks by industry, region, and company size over time. In the case that a user does not want anonymous data used for this purpose in future research, they may contact [gsmith@icrw.org](mailto:gsmith@icrw.org).

**5. What if some of the questions are not relevant to the company I am assessing?**

- Select the “Not Relevant” multiple choice option when the question is not relevant to the company’s business model and will likely remain irrelevant in the future, or if the question is not relevant to your investment thesis and will likely remain irrelevant in the future. This will remove the weighting from the company’s gender score. This is not an option for every question, as many questions are relevant for all companies in the sector. “Not relevant” is most often provided in the Value Chain section.

**6. What if I do not have data for the question?**

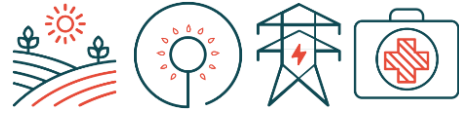
- Select the “Cannot Answer” multiple choice option when the information is not currently available, but the topic itself is relevant or will become relevant in the future. Companies that do not yet collect this data or are otherwise unable to respond will have the opportunity to improve in this area in the future. Selecting this option also removes the weighting from the so that the company is not deducted points in its overall gender score.

**7. I’m not a gender specialist—what do some of these terms actually mean?**

- Specific terms relating to gender and diversity are referenced in the Scoring Tool. Some are explained in greater detail in the chart below.

**“Historically marginalized”** is used to indicate a person or member of a group that has been discriminated against in the past and/or are currently disadvantaged due to one or multiple factors. In numerous questions, this term seeks to bring an *intersectional* diversity lens to the survey. Affected groups will vary by context, and can include known or unknown identities. For example, historically marginalized people may be ethnic or religious minorities; refugees or war returnees; people living with terminal illness, physical or intellectual disabilities; very elderly or young people; people who have been homeless or formerly incarcerated; people who are gay or transgender; or individuals who experience multiple forms of social marginalization based on their intersecting identities.

Actual **experiences of marginalization** are difficult to capture in a generic survey without collapsing various intersections and categories of representation. Intersecting identities can also be private and not disclosed to the company or investor. Practices captured by the supplemental **Diversity Surveys** (Found on Tab 2 of offline versions of the Scoring Tool) indicate *efforts by the company to include known members of historically marginalized groups in its workplace or value chain*. If a woman (or man) outwardly claims any



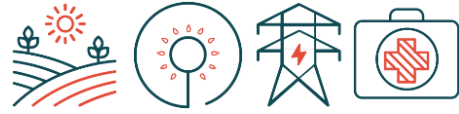
<p>of these marginalized identities, they should be reflected in responses to Diversity questions. For the purpose of these surveys, women must experience an additional form of marginalization to qualify as a member of a historically marginalized group.</p>
<p><b>“Exclusionary requirements in a job description”</b> refers to listed skills or requirements that are not actually core competencies to perform the role. These depend on the role and could include unnecessary physical attributes, willingness to work nights and weekends, non-essential language proficiencies, literacy skills, degrees, certificates, prior experience, etc. These contrast with validated job competencies, which are determined by examining the actual tasks completed by someone in the role, and assessing skills and traits needed to succeed at them.</p>
<p><b>“Gender neutral images and language”</b> are used by companies prioritizing equitable recruitment practices. Women and men are encouraged to apply explicitly as well as implicitly with inclusive language in job descriptions, photos of women and men conducting different types of work (not just work that is stereotypically masculine or feminine in the particular context), balanced use of pronouns, and attention to phrasing that could intimidate applicants.</p>
<p><b>“Equal Employment Opportunity (EEO) policy”</b> is one that provides equal employment opportunities to all employees and applicants for employment and prohibits discrimination and harassment of any type without regard to race, color, religion, age, sex, national origin, disability status, genetics, protected veteran status, sexual orientation, gender identity or expression, or any other characteristic protected by federal, state or local laws.</p>
<p><b>“Bystander training”</b> instills the skills in men and women to intervene when they become aware of potential sexual harassment taking place at work.</p>
<p><b>“Flexible work”</b> may include options like telecommuting, flexible hours, or other practices to accommodate employees’ schedules outside of work.</p>
<p><b>“Women’s mobility”</b> refers to constraints women may face in some contexts that limit how far or when they can travel. These may stem from cultural norms around social acceptability of women traveling alone or via certain modes of transportation, such as bicycles. Women in remote areas may face physical barriers like great distances and unpaved roads, and may experience greater price sensitivity in light of rising transportation costs. When balancing other responsibilities, women may face time constraints leaving fewer options for safe public transport at the hours when they are free to travel. They often balance the added challenge of transporting small children, and are universally more exposed to risks of sexual harassment in transit, regardless of the mode or time.</p>

**8. Will business stage affect the company’s score?**

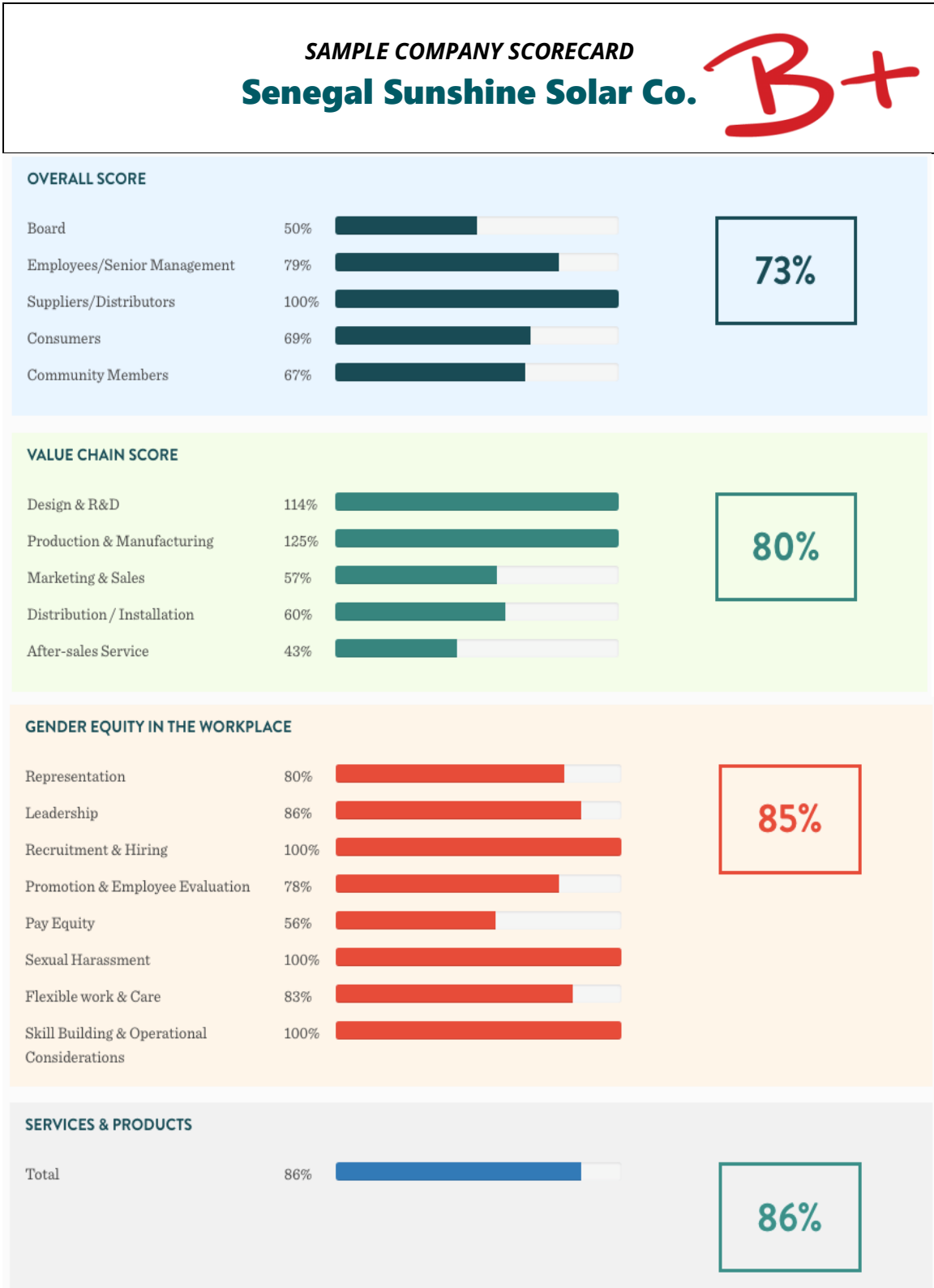
- Possibly. Compared to growth stage companies with more established practices, early stage companies may not have all policies and processes in place, or may have rapidly changing information available at the time of assessment. This can lead to lower scores, but is not necessarily problematic!
- Gender scorecards are useful for comparing companies in similar stages, and can also inform customized gender action plans. Younger enterprises have more opportunity to improve, making regular assessment especially valuable for companies in this stage.
- Get in touch with [advisors@icrw.org](mailto:advisors@icrw.org) to explore possibilities for technical assistance, such as building gender capacity in a portfolio company to improve its scores and material impacts, or developing related monitoring and evaluation systems for funds.

**9. How do I interpret a company’s scorecard?**

- First, learn about the [Methodology](#) behind the Gender Scoring Tools.
- Second, explore ICRW’s sector-specific [Gender Materiality Maps](#). The back-end Gender Scoring Tool algorithms are based on weightings informed by Gender Materiality. Evidence from empirical and secondary research with companies informed these heat maps; full data sets are available upon request from [advisors@icrw.org](mailto:advisors@icrw.org).



- For each company, the Gender Scoring Tool will generate an *Overall* score and two sub-scores, indexed as a *Value Chain* sub-score and *Gender Equity in the Workplace* sub-score.





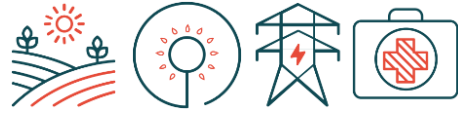
- Corresponding to the overall numerical score, investors may grade companies, in order to easily screen a certain tier and advance potential investees through the pipeline, or compare peer companies of the same sector and business stage to make strategic decisions within a portfolio. A recommended Grading System is as follows:

Min (%)	Max (%)	Grade
92	100	A+
84	92	A
76	84	A-
68	76	B+
60	68	B
52	60	B-
44	52	C+
36	44	C
28	36	C-
20	28	D+
12	20	D
0	12	D-

- It is reasonable to expect that **very few companies will start off with high scores** (very few, if any, will earn an A+). However it is also possible for companies to receive bonus points that may bring their score above 100%. **Bonus points** are awarded primarily to gender opportunities that go above and beyond, such as those that address larger barriers in the community related to gender equity.
- **For systematic use, companies may be assessed on a regular basis** (e.g., annually or bi-annually) with scores serving as progressive “snapshots” that can reflect corporate improvement over time. This can also be tracked against their financial performance.
- As more information is aggregated through the ICRW Gender-Smart Investing Resource Hub, this community of practice will be able to understand more about **trends between gender-smart companies, financial health, and organizational growth**. Investors will also be able to eventually benchmark various enterprises against industry leaders in gender integration and diversity.

**10. Will higher scores result in better financial performance?**

- Not necessarily. However they do demonstrate that a company has policies and operations in place that align with gender best practices that have been shown to improve business outcomes, and positively impact women’s empowerment and gender equity.
- **Scorecard disclaimer:** Confidence level increases with the number of questions answered. Work with your investees to ensure accountability in collecting and inputting a high number of accurate responses. Results are contingent on accuracy of data entered, and do not guarantee social or financial impact including on business revenue or profit. Neither ICRW Advisors nor its affiliates will be liable for any consequential, indirect, or direct damages or loss arising from use or misuse of tools including inaccuracy or incompleteness of information supplied.



**11. Gender is one aspect of diversity. Do ICRW's Scoring Tools include a way to track progress on social inclusion more broadly?**

- Yes. An additional layer is the Diversity Sub-score, which users have the option to complete for a wider range of diversity and inclusion indicators. This may be calculated using the supplemental **Diversity Surveys**, found on Tab 2 of the offline versions of the Gender Scoring Tools (visit specific sector pages to download corresponding Excel form).
- Practices captured by the Diversity Surveys indicate efforts by the company to include known members of historically marginalized groups or identities in its workplace or value chain (To understand more, see “historically marginalized” above in Question 7).
- These mini-surveys are for learning and critical reflection. At present, diversity and inclusion indicators are not represented in the Gender Materiality Maps, and the Diversity Sub-score is not included in a company's Overall Scorecard. The surveys instead provide a useful snapshot of the company's starting point and can foster mindfulness of practical ways to be more socially inclusive.

**12. How can my fund go deeper with integrating a gender lens into financial analysis?**

- To leverage gender scores for deeper portfolio analysis, **contact [advisors@icrw.org](mailto:advisors@icrw.org) for a personalized heat map** of the company's scorecard. These graphic insights correspond to the Gender Materiality Map data, highlighting areas where gender scores may be lower, yet higher materiality is evident in the sector.
- ICRW Advisors works with investors and companies to identify priority business areas for implementing high impact gender opportunities, and supports the development of gender action plans along with tailored technical assistance. The best time to start is now.

**13. We're serious about managing risk. What exactly does the sexual harassment category indicate?**

- The category of *Sexual Harassment* reflects the company's readiness to address workplace harassment from a mitigation standpoint. A high score results from having good policies and practices in place to address instances of sexual harassment.
- The score should *not* be interpreted in relation to actual prevalence rates of sexual harassment or other forms gender-based violence at work, as these are related to other organizational factors including workplace culture and individual mindsets, as well as the larger social environment in the country of operation.
- **For follow-on diagnostic and capacity building services** related to calculating risk of sexual harassment, developing gender equitable leadership skills, and building a woman-friendly organizational environment, please contact [advisors@icrw.org](mailto:advisors@icrw.org).
  - **Gender Equity Leadership Lab:** ICRW Advisors offers tailored sessions designed to support organizational leaders and managers in (a) creating a culture of equity and inclusion, and (b) preventing harassment from occurring in the first place.
  - **Women-friendly organizational environment:** ICRW Advisors has also developed a methodology to analyze and enhance *mindsets, practices, and policies* in diverse workplaces—three key factors underpinning sexual harassment rates.