



CRITERION INSTITUTE

PUBLIC EQUITIES

Types of Capital Roadmaps



Reinterpreting Data to Assess the Risk of Gender-Based Violence in Public Equities

Using a gender-based violence lens to analyze existing datasets to better understand a company's practices and culture



Investors and analysts currently collect certain gender data points about public companies, such as the percentage of Board of Directors that are women and whether a discrimination policy exists. Based on these commonly collected datasets, it is difficult to assess whether gender-based violence is occurring and to what extent a company's policies, practices, and culture create an enabling environment which sustains this violence. This challenge occurs, because there are gaps in how gender data is reported and organized. For example, while having more women Board of Directors is generally considered a strong indicator of a company's commitment towards gender equality. However, deeper analysis shows that by itself, this factor is not a clear proxy for a company's support of fair gender dynamics.

As we solve for the longer-term problem of data gaps, there is a shorter-term opportunity to work with gender-based violence experts to better interpret existing datasets and to use this analysis to be able to predict potential indicators of gender-based violence. Gender-based violence experts can look at the data that investors already collect and create frameworks for understanding what these datapoints might mean at a company level. This would enable public investors to move capital away from companies that they assess to be performing poorly and put pressure on companies to both improve practices and report more comprehensive gender data.

Public equities investors select companies based on their assessment of opportunity and risk. Though gender-based violence is not typically included in standard environment, social and governance (ESG) risk assessments, it is relevant to do so: companies with better gender practices will be more operationally efficient and will be less likely to receive negative public attention that could affect their stock price. Therefore, firms and managers looking to build products based on ESG impact standards could incorporate gender-based violence into their existing approach. The inclusion of gender-based violence would enable investors to better understand the linkage between their existing ESG framework and how their investees are likely to perform.

In light of movements like #MeToo, increasing attention is being paid to workplace policies. While investors may not have all the datapoints that they need to assess companies' practices, the data they do have can tell a better story if analyzed by those with relevant gender-based violence expertise. By bringing in different perspectives, we can get a much better understanding of how companies are faring on issues of gender equity and violence.

1

Gender-based violence experts collate the common data points related to gender collected by public equities analysts.

2

Gender-based violence experts assess which data points relate to gender dynamics and gender-based violence, and create tools or frameworks that investors can use to interpret the data.

3

These new tools and frameworks are published, and asset managers are trained on what they mean and how to use them.

4

Public equities managers and analysts incorporate the new analyses into their existing assessments of public companies.

If asset managers start putting more emphasis on gender data as part of their standard analyses of opportunity and risk, this will put pressure on companies to change certain policies and practices for the better. This will lead to more gender equitable workplaces and reduce the risk of gender-based violence occurring at public companies.

Companies broadly changing their workplaces with an eye to gender-based violence means less overall workplace violence and more ways for survivors to participate and thrive in the workforce.

Audiences: Asset managers and public equity analysts
Types of violence: Workplace violence and domestic violence
Type of capital: Public equities

Resources

Criterion Institute will shortly publish a framework and tool for assessing the market risk of gender-based violence in public equities.

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