

Advancing Women's Economic Empowerment
May 2018

Gender Equality Position Statement



Contents

1.	<i>Position statement background and objective</i>	2
1.1	<i>Background</i>	2
1.2	<i>Objective</i>	2
1.3	<i>Sponsor and maintenance</i>	3
2.	<i>Identifying gender-smart opportunities in investment activity across the business value chain</i>	3
3.	<i>Thematic priorities</i>	3
3.1	<i>Supporting women's leadership</i>	3
3.2	<i>Improving women's job quality</i>	3
3.3	<i>Promoting women's access to finance and entrepreneurship</i>	4
3.4	<i>Applying a 'gender lens' to products and services</i>	4
4.	<i>Continuing to protect and promote equal opportunity</i>	4
5.	<i>Implementation across our investment activities</i>	4
6.	<i>Monitoring and reporting</i>	5

1. Position statement background and objective

1.1 Background

Our mission is to support the building of businesses throughout Africa and South Asia, to create jobs and make a lasting difference to people's lives in some of the world's poorest places.

Across the globe, women's economic participation is still significantly limited, which means that local economies can't fully benefit from their contribution. This is reflected in many areas: from the number of restrictions women face accessing a safe and decent job, stark gender pay gaps, the low job positions occupied by women in the workforce, and the lack of women represented in business leadership. Women often face additional burdens limiting their economic activity and empowerment such as access to finance, legal and regulatory barriers, and control over property, land and assets. Women are also subjected to additional unpaid care responsibilities and social norms and traditions such as early marriage or limited education, which restrict economic mobility, time and freedom.

We recognise that at the heart of building sustainable and inclusive businesses lies the need to advance gender equality and women's economic empowerment more deliberately in the way we invest, so that both men and women are provided with the same opportunities. Women's economic empowerment and non-discrimination play a key role in our 2017-2021 Strategic Framework. We recognise the structural and discriminatory barriers women in our markets face, which are driving gender gaps, and see it as our responsibility to help close these gaps and demonstrate the social and economic value of investing in women to the wider investment industry.

The UK Government's Department for International Development (DFID) has highlighted the importance of empowering women and girls by placing gender integration at the heart of its approach to economic development¹ and through its Strategic Vision for Gender Equality². CDC also supports the 2030 Agenda for Sustainable Development which includes UN Global Goal 5 to "Achieve gender equality and empower all women and girls".

1.2 Objective

This statement sets out the gender strategy for our investment activity. Its objective is to define our position on gender equality and women's economic empowerment for all our investment activities and specify focus areas. It also sets out how the strategy will be implemented.

We will also promote gender diversity within our own organisation by actively supporting initiatives which enable all staff at CDC to thrive at every level within our workplace.

This statement should be read in conjunction with our Investment Policy³, Code of Responsible Investing⁴ and Climate Change Policy⁵.

¹ <https://www.gov.uk/government/publications/dfids-economic-development-strategy-2017>

² <https://www.gov.uk/government/publications/dfid-strategic-vision-for-gender-equality-her-potential-our-future>

³ <http://www.cdccgroup.com/Documents/Investment%20Policy.pdf>

⁴ <http://www.cdccgroup.com/Documents/Code%20of%20Responsible%20Investing%20March%202017.pdf>

⁵ [http://www.cdccgroup.com/Documents/Climate%20Change%20Policy%20\(September%202014\).pdf](http://www.cdccgroup.com/Documents/Climate%20Change%20Policy%20(September%202014).pdf)

1.3 Sponsor and maintenance

CDC's Board and senior management will be responsible for reviewing and maintaining this statement. As the integration of gender within investing is an area that is still developing across the industry, it is anticipated that this statement will continue to progress over time.

2. Identifying gender-smart opportunities in investment activity across the business value chain

We will proactively assess gender-based risks and opportunities in our investments and will incorporate these in our investment strategies. By doing so, we can help our investee companies to take advantage of 'gender-smart opportunities' to add value to their business. We will also share the lessons we've learnt and good practices more broadly via the fund managers and companies we invest in, as well as other external audiences, to encourage more gender-smart investing.

We will seek to influence the following three issues across the value chain:

- ✦ Gender bias in the labour market to improve job access and job quality for women.
- ✦ Access to finance for underserved women.
- ✦ Women's unmet market needs for products and services.

We will address these three issues in the thematic priorities outlined below.

3. Thematic priorities

We have identified four thematic priorities to advance women's economic empowerment throughout the investment cycle. These priorities are: supporting women's leadership, improving women's job quality, promoting access to finance and entrepreneurship, and applying a gender lens to products and services. These efforts should also optimise the underlying social and economic value for the companies and markets in which we invest.

The way we consider and apply these thematic priorities will vary by sector, geography, a company's business model, and investment product. For illustrative purposes, some of the gender-smart opportunities that we will consider within these themes include the following:

3.1 Supporting women's leadership

- ✦ Support the meaningful participation of women in senior management in our portfolio companies.
- ✦ Encourage board diversity through our influence on the nomination of – and support to – qualified board members in our portfolio companies.
- ✦ Promote the visibility and voice of female business leaders in our geographies and markets.

3.2 Improving women's job quality

- ✦ Improve the access to and quality of women's jobs including through skills training, gender-smart workplace policies and hiring procedures, and by engaging male and female role models.

- ✦ Work with key stakeholders, local partners and non-governmental organisations (NGOs) where necessary to unlock the wider enabling environment that would help women's job quality, such as access to safe transportation, childcare and essential services like water and clean cooking fuel.

3.3 Promoting women's access to finance and entrepreneurship

- ✦ Work with financial institutions to understand access to finance from a customer perspective.
- ✦ Support ways to improve access to credit for female customers and entrepreneurs.
- ✦ Encourage initiatives that support the deployment of non-financial services to women such as business training, financial literacy, access to networks and mentoring.

3.4 Applying a 'gender lens' to products and services

- ✦ Pilot methods to apply a 'gender lens' to investment and company activity throughout the business value chain, including involvement of women in product design and marketing.
- ✦ Encourage collection and data analysis of products and services provision and customer segmentation to understand differentiated market needs and interests.

4. Continuing to protect and promote equal opportunity

As we set out in our Code of Responsible Investing, we will continue to promote equality of opportunity and non-discrimination by:

- ✦ Considering the potential impact of investments on vulnerable or marginalised groups, including women and girls.
- ✦ Conducting socio-economic risk assessments of investments to ensure that neither gender is disadvantaged.
- ✦ Assessing affected communities, particularly during land acquisition or resettlement and other activities where community health and safety risks are evident, and developing corrective actions as needed.
- ✦ Developing procedures to ensure there is a workplace culture around non-discrimination and zero tolerance to harassment.
- ✦ Creating a safe and secure working environment that addresses specific needs and risks to women.
- ✦ Ensuring compliance with local laws and regulations.

In the future, we will carry out gender-specific assessments where a project has been identified as having salient impact on women. We will use the outcome of these assessments to identify suitable actions.

5. Implementation across our investment activities

- ✦ Identify and support gender-smart opportunities across the value chain by integrating gender factors more deliberately and consistently in new and existing investments.
- ✦ Promote awareness of gender equality and women's economic empowerment, and the economic and social value of investing in women, to our investment teams, investee companies and fund managers through briefings, training and reporting.

- ✦ Monitor and evaluate the impact of supporting gender-smart opportunities wherever possible.
- ✦ Continue to assist in non-discrimination and promote equality of men and women through the implementation of our Code of Responsible Investing.
- ✦ Build capabilities to support gender-smart investing in our portfolio and among our peers.
- ✦ Study and publish successful examples, lessons learnt and add to the evidence base.
- ✦ Encourage financing of gender-smart opportunities within our own investments as well as more private investment from the broader investor community.

6. Monitoring and reporting


We will enhance our data collection and reporting requirements from direct investees, project sponsors and, where possible and necessary, the fund managers we invest in, to collect more detailed information on the impact of this strategy and to inform its evolution.

We will report on the implementation of this strategy to our Board's Development Impact Committee on a regular basis and through our Annual Review.



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