



The Calvert Women's Principles

Calvert Research and Management
Global leaders in Responsible Investing



Empowering Women Across the Globe



Corporations are key players in the global economy—often more powerful than sovereign governments and other institutions. The seminal **Calvert Women's Principles™** are the first systematic effort to apply established labor and human-rights standards that protect women specifically to corporate conduct. Calvert Women's Principles (CWP) are emblematic of our leadership and dedication to the empowerment of women which guides our investment research, corporate advocacy and policy initiatives.

The Calvert Women's Principles were developed in partnership with United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) in 2004. This document was the first global corporate code of conduct focused exclusively on empowering, advancing and investing in women worldwide. These were designed to provide companies with a set of standards they can use to measure their progress, and provide a tool for investors to use to assess corporate performance on gender equality issues. They were the forerunners to the Women's Empowerment Principles (WEP), introduced by UN Women and the United Nations Global Compact (UNGC) in 2010.¹

THE CALVERT WOMEN'S PRINCIPLES	WHY THIS PRINCIPLE IS IMPORTANT TO BUSINESS:
1 Employment and Compensation Corporations will take concrete steps to attain gender equality by adopting and implementing employment policies and practices that eliminate gender discrimination in areas such as recruitment, hiring, pay, and promotion.	Business Case: Companies that discriminate are limiting themselves to a smaller pool of talent, reduced productivity, reduced profits, and higher turnover. It is estimated that workplace discrimination costs business \$64 billion annually. ² Fact: Out of 173 economies studied by the World Bank, 155 have at least one law impeding women's economic opportunities. ³
2 Work-Life Balance and Career Development Corporations will take concrete steps to attain gender equality by adopting, implementing, and promoting policies and practices that enable work-life balance and support educational, career, and vocational development.	Business Case: The benefits of workplace flexibility include employee attraction and retention, cost-savings from reduction in turnovers, and increased commitment and engagement of employees. ⁴ Fact: A national study of US employers found that management's support for flexible work has declined from 31% to 14% between 2005 and 2016, and career counseling for women has declined from 22% to 15% in the same period. ⁵
3 Health, Safety, and Freedom from Violence Corporations will take concrete steps to attain gender equality by adopting and implementing policies to secure the health, safety, and well-being of women workers.	Business Case: "Workplace women's health programs can deliver up to a 4:1 return on investment by reducing absenteeism and turnover and increasing productivity." ⁶ Fact: Women make-up 67% of the employees experiencing nonfatal workplace violence in the US, in many cases requiring several days away from work to recover. ⁷
4 Management and Governance Corporations will take concrete steps to attain gender equality by adopting and implementing policies to ensure equitable participation in management and governance.	Business Case: "Companies in the top quartile for gender diversity are 15 percent more likely to have financial returns above their respective national industry medians." ⁸ Fact: In 2016, only 47% of the S&P 100 had at least 25% women on their boards. ⁹ Moreover, in the same year the percentage of open board seats claimed by women decreased to 28% from 2015 for Fortune 500 companies; a 30% decline from 2015. ¹⁰
5 Business, Supply Chain, and Marketing Practices Corporations will take concrete steps to attain gender equality by adopting and implementing non-discriminatory business, supply chain, contracting, and marketing policies and practices.	Business Case: Companies that adopt non-discriminatory policies and practices stand to benefit from a global market where women are predicted to have \$40 trillion of buying power by 2018. ¹¹ Fact: Women as consumers are likely to face discriminatory pricing, known as "pink tax". A study by the New York City Department of Consumer Affairs, it is found that in 86% of products categories studied, products for female are priced higher; on average, women pay approximately 7% more than men for similar products. ¹²



6 Civic and Community Engagement
Corporations will take concrete steps to attain gender equality by adopting and implementing policies to promote equitable participation in civic life and eliminate all forms of discrimination and exploitation.

Business Case: Increasing women and girls' education contributes to higher economic growth. Increased educational attainment accounts for about 50% of the economic growth in OECD countries over the past 50 years.¹³
Fact: Girls make up 60 % of the world's children not in school.¹⁴

7 Transparency and Accountability
Corporations will take concrete steps to attain gender equality in operations and in business and stakeholder relationships by adopting and implementing policies that are publicly disclosed, monitored, and enforced.

Business Case: A 2015 survey of millennials found that 85% of women consider an employer's policy on diversity, equality and workforce inclusion an important factor in their job search.¹⁵
Fact: In 2016, only 25% of the S&P 100 publicly released the full breakdown of their workforces by race and gender.¹⁶

ADVOCACY | Changing the Game for Women

Calvert's shareholder advocacy efforts focus on improving corporate behavior on a range of gender issues. These efforts take the form of direct dialogue with companies, letter-writing campaigns and Calvert lending its support to many public-private initiatives focused on gender equality.

Calvert has been particularly active in encouraging our holdings to institutionalize a commitment to diversity, inclusive of gender and ethnicity, in the selection of board of director candidates. All too often qualified women are overlooked for these influential positions, while companies continue to search for candidates from their limited networks. That is why our engagement process focuses on diversifying the director selection process.

Each year, Calvert uses the tools we have as investors, shareholder proposals and proxy votes, to advocate for change within companies we believe lack sufficient diversity. Our proposals ask companies to expand their director selection process and include women in the pool from which director candidates are selected. Our proxy voting policy is to vote against every slate of directors that lacks gender or racial diversity.

1. Women's Empowerment Principles FAQ. Accessible at <http://www.wepinciples.org/Site/Faq/>
2. Burns, Crosby, "The Costly Business of Discrimination", Center for American Progress. Mar. 2012.
3. World Bank Group, "Women, Business, and the Law 2016".
4. Society for Human Resource Management, "Leveraging Workplace Flexibility for Engagement and Productivity", 2014.
5. Matos, K., Galinsky, E., Bond, J., "2016 National Study of Employers", 2016.
6. Racheal Yeager, "HERproject: Health Enables Returns, The Business Returns from Women's Health Programs," BSR and Extending Service Delivery Project (ESD), 2011.

7. Centers for Disease Control, Occupational Violence, <https://www.cdc.gov/niosh/topics/violence/fastfacts.html>, 2014.
8. Hunt, V., Layton, D., Prince, S. (2015) Why Diversity Matters. McKinsey.
9. Calvert Investments (2017). Calvert Diversity Report 2017: Examining the Cracks in the Ceiling.
10. Heidrick & Struggles (2017). Board Monitor 2017: Is Diversity at an Impasse?
11. The Boston Consulting Group, "Women want more: Updated Findings on the World's Largest, Fastest-growing Market," Webinar Presentation, Sept 2013.

12. New York City Department of Consumer Affairs, "From Cradle to Cane: The Cost of Being a Female Consumer," Dec 2015.
13. Organization for Economic Cooperation and Development (OECD), Gender Equality in Education, Employment and Entrepreneurship: Final Report to the MCM 2012.
14. Insert "OECD, Gender Equality in Education, Employment and Entrepreneurship: Final Report to the MCM 2012.
15. PriceWaterhouseCoopers, "The female millennial-A new era of talent". 2015.
16. Calvert Investments (2017). Calvert Diversity Report 2017: Examining the Cracks in the Ceiling.

INVESTING WITH A GENDER LENS

Responsible Investing (RI) is quite simply a big picture way of looking at investment opportunities—going beyond financial analysis of a company to fully evaluate a company’s performance on a range of environmental, social, and governance factors. At Calvert, rather than identifying only a select set of “women’s issues,” our investment process seeks to evaluate the interface of women and corporations more broadly, whether in the workplace, marketplace, or community.



ABOUT CALVERT | Calvert Research and Management is a leader in Responsible Investing. The company traces its roots to Calvert Investments, which was founded in 1976 and in 1982 became the first fund family to launch a mutual fund to avoid business in apartheid-era South Africa. Today, the Calvert Funds are one of the largest and most diversified families of responsibly invested mutual funds, encompassing actively and passively managed strategies, U.S. and international equity strategies, fixed-income strategies, and asset allocation funds. Calvert Research and Management is a wholly owned subsidiary of Eaton Vance. For more information, visit calvert.com.

Impact investing and/or Environmental Social Governance (ESG) investing has certain risks based on the fact that ESG criteria excludes securities of certain issuers for nonfinancial reasons and therefore, investors may forgo some market opportunities and the universe of investments available will be smaller.

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