

# The Calvert Women's Principles

Developed in partnership with UNIFEM.



A global code  
of conduct  
for corporations

**Calvert**



INVESTMENTS  
THAT MAKE A DIFFERENCE®



**“THE BEST CLUE TO A NATION’S GROWTH  
AND DEVELOPMENT POTENTIAL  
IS THE STATUS AND ROLE OF WOMEN.”**

– David S. Landes, *The Wealth and Poverty of Nations*

1. Despite progress in recent decades, substantial barriers to women's full equality persists from the factory floor to the board room in both developed and developing countries. In 2004 the Calvert Group, Ltd. (Calvert), one of the largest families of socially responsible funds in the United States and the United Nations Development Fund for Women (UNIFEM) launched *The Calvert Women's Principles* (CWP), the first global code of conduct focused exclusively on empowering, advancing, and investing in women worldwide. Since their launch, the *Principles* have been a major catalyst for dialogue and heightened awareness of workplace issues affecting women and the role of companies in ensuring rights and fostering equality for women.
2. The *Women's Principles* reflect Calvert's view that there is a strong business case for gender equality. We offer these *Principles* as a set of standards that corporations can aspire to and a measure against which they can assess their performance, while giving investors a set of tools they can use to assess corporate behavior and progress on issues of gender equity and women's empowerment.
3. The *Women's Principles* are consistent with Calvert's longstanding investment approach, which holds that well-governed, socially responsible companies are better positioned to manage risk and deliver long-term value to their shareholders. We also believe they can play a critical role in improving the quality of life for women employees, their families, vendors, suppliers and other stakeholders, while advancing the rights and status of women around the globe. Businesses can thrive and succeed where women are treated equally, where they hold key leadership positions and are full participants in decision making.
4. Although there are well-established labor and human rights norms and standards affecting women, *The Women's Principles* represent the first comprehensive attempt to apply those standards directly and specifically to corporate conduct. What distinguishes these *Principles* from other initiatives is their focus on business corporations as vehicles for addressing gender inequalities and advancing the global empowerment of women.
5. While globalization has provided greater opportunities for women to participate in the market economy, it has also contributed to widening gender inequality, both within and among societies. For some women, there have been new opportunities and increased prosperity through economic growth; for others, the effects of globalization have been uneven, with gains tending to accrue to those with higher levels of

education, ownership of assets and access to capital. For vulnerable groups, especially poor women, globalization is producing mixed results, often exacerbating existing inequalities and relegating women to low pay, dead-end jobs in the manufacturing, service and agricultural sectors.

6. While women increasingly comprise the majority of the labor force in certain sectors of globalized production, they are also, in most cases, at the very bottom of the occupational hierarchy, participating mainly as unorganized laborers with little or no possibility to upgrade skills, no job security, poor working conditions and no collective bargaining or other labor rights.
7. The International Labor Organization (ILO) 2007 Global Employment Trends for Women study estimates that 60 percent of the world's 1 billion working poor living on a \$1 a day or less are women. This "feminization of poverty" not only undermines women's rights and status, but prevents them from improving their status through political or legal action, leading to a downward spiral and deteriorating quality of life for many women and their children. Reducing the barriers to women's economic empowerment, entrepreneurship and self-sufficiency is, therefore, integral to poverty eradication worldwide.
8. A key area of emerging consensus is the strong correlation between sustainable development and equality between men and women. However, gender inequalities remain pervasive worldwide. The gender wage gap persists, with women in industrial countries earning on average only 77 percent of what men earn, and women in developing countries earning on average only 73 percent of what men earn. In addition, sometimes policy and program prescriptions that treat men and women "equally" fail because equal treatment of people in unequal situations perpetuates inequality. Similarly, remedies that treat women in isolation achieve only limited success. Women's enterprise is woven into the fabric of community and, as primary caregivers and income earners; women are key actors in family survival strategy. Therefore, how wage employment overlaps household responsibilities has implications for women's social and economic gain. International experience supported by substantial research has shown that higher levels of investment in women's education, health care and access to productive resources have potentially large payoffs in terms of higher productivity, more efficient use of resources, improved child survival rates, and better household health.

9. According to the 2008 Global Gender Gap Report, published by the Geneva-based World Economic Forum, no country has yet achieved gender equality in economic participation and opportunity, educational attainment, political empowerment, or health and survival. The closest to reaching parity between men and women are four Nordic countries—Norway, Finland, Sweden and Iceland—each of which have managed to close approximately 80 percent of the gender gap in these four critical areas, while the lowest scoring country, Yemen, has only managed to close approximately 46 percent of its gender gap.
10. Evidence suggests that the gender wage gap is widest at the pinnacles of economic power. Worldwide, women occupy less than 3 percent of the top executive posts in the largest corporations, and they hold only 15 percent of the seats in parliaments globally. Even in developed countries, where there are fewer “sticky floors” confining women to low paying jobs and industries, so-called “glass ceilings” continue to block upward mobility.
11. There is a strong *business case* for promoting women’s economic development, entrepreneurship and enterprise. As a result of gender inequities, women remain—to some degree in all parts of the globe—an untapped economic resource and an under-utilized economic asset. Corporations can play a vital role in unleashing women’s economic capacity, which has the potential to boost economies and transform societies. Central to the *Women’s Principles*, therefore, is the recognition of women as economic actors and as productive assets, rather than as victims. Promoting and supporting women’s enterprise is essential to economic growth, and benefits everyone, including men. Women should not only be treated with dignity and respect in the workplace, but it is in the best interest of business corporations to empower, advance and invest in women worldwide.
12. *The Women’s Principles* are consistent with the Millennium Declaration, signed in 2000 at the United Nations, committing countries “to promote gender equality and the empowerment of women, as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable.” The *Principles* are also consistent with and meant to advance progress in the 12 critical areas identified by the Beijing Platform for Action, which was adopted by all 189 United Nations member countries at the Fourth World Conference on Women in 1995. Finally, the *Principles* also support the goals of the Convention on the

Rights of Persons with Disabilities adopted by the UN General Assembly in 2006 and the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) adopted by the UN General Assembly in 1979 and ratified by 170 countries. What distinguishes these *Principles* from other initiatives is their focus on business corporations as vehicles for addressing gender inequality and women's empowerment.

13. Launching the *Women's Principles* was a natural outgrowth of Calvert's longstanding work in the field of socially responsible investing. We are experienced analysts of the myriad ways in which corporate behavior impacts employees, communities and the environment. Given this experience and expertise, we believe Calvert is uniquely situated to develop and hold companies accountable to a set of criteria regarding corporate conduct and its impact on women.
14. The *Women's Principles* align with Calvert's own social and environmental analysis of companies as prospective investments for our portfolios. As shareholders, we engage corporations on gender equality and empowerment issues, including asking them to take concrete actions to implement the *Principles*. To support companies' implementation efforts, Verité, an international labor and human rights monitoring organization, joins Calvert and UNIFEM in the next phase of our initiative, which includes translating the *Principles* into practical policies, guidelines, indicators and other performance tools for direct implementation of the standards in the workplace.
15. The challenge of redressing the many dimensions of gender inequality is too large in scope, complexity and costs to be tackled by any sector alone. It will require, instead, the massive mobilization of governments, corporations, foundations and NGOs to provide women with the economic and educational opportunities needed to participate in and benefit from global development. Corporations in particular will play a critical role in this process, as the global empowerment of women will be facilitated, in large part, through employment opportunities in the private sector. Additionally, corporations can act as powerful change agents through the spillover and demonstration effects they have on local firms and communities. In short, one of the primary characteristics of globalization is the ever-increasing power of multinational corporations: With such power comes both responsibility and opportunity.

16. We recognize that some corporations will be better positioned than others to implement these *Principles*, and that some of the specific principles may be problematic or difficult to implement. We have designed the *Principles* with these realities in mind, and have structured each section in a way that generally proceeds from the more elemental to the more difficult. It is our hope that this approach will allow companies to determine where along the continuum they are most comfortable, and that they will then be induced to build upon their commitments and their successes over time.
17. Finally, we recognize that while principles are universal, circumstances are not. Corporations must take into account a wide range of cultural, societal, legal, economic and other factors when adopting and implementing policies affecting women. At the same time, care must be taken to ensure that cultural differences and customs never become an excuse for denying or abusing the basic human rights of individuals. Corporations have the opportunity to hold themselves to higher standards than local contexts may prescribe or tolerate. We believe that, where possible, corporations should do so, and should assume a proactive leadership role in advancing the rights of women in particular and human dignity more generally. Working together as partners, corporations, governments, the donor community, private organizations, and NGOs can contribute significantly to the economic, political, intellectual, social and cultural development of women. As shareholders in corporations, the investment community can significantly impact whether women and their families prosper or fall further behind in the global economy.

## THE CHOICE IS OURS.



## 1. EMPLOYMENT AND COMPENSATION

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*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.*

### **Key elements of this principle include:**

- a. Pay the legal wage to all women.
- b. Ensure fair and comparable wages, hours, and benefits, including retirement benefits, for all employees for comparable work.
- c. Undertake concrete, verifiable actions to recruit and retain women and candidates from traditionally underrepresented groups.
- d. Eliminate all forms of discrimination based on attributes such as gender, race, ethnicity, religion, disability, sexual orientation, gender identity, or cultural stereotypes in all work-related privileges or activities, including wages, hours, benefits, job access and qualifications, and working conditions.
- e. Prohibit discrimination based on marital, parental or reproductive status in making decisions regarding employment or promotion, including ensuring employment security that allows for interruptions in work for maternity, parental leave and family-related responsibilities.
- f. Implement equitable policies for non-salaried employees regarding contract work, temporary work and layoffs that do not disproportionately affect women.
- g. Strive to pay a living wage to all women.

## 2. WORK-LIFE BALANCE AND CAREER DEVELOPMENT

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*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.*

### **Key elements of this principle include:**

- a. Undertake concrete, verifiable actions to make professional and private life more balanced, by implementing and promoting flexible work options, family leave, dependent care, wellness programs, and workforce exit and reentry opportunities.
- b. Support access to childcare either by providing childcare services or by providing information and resources regarding childcare services.
- c. Provide gender equitable opportunities for and access to literacy training, education and certified vocational and information technology training.
- d. Provide professional development opportunities that include formal or informal networking, client development activities, and mentoring programs that include women at all levels, including those women working in nontraditional fields.

### 3. HEALTH, SAFETY, AND FREEDOM FROM VIOLENCE

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*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.*

#### **Key elements of this principle include:**

- a. Prohibit and prevent all forms of violence in the workplace, including verbal, physical, or sexual harassment.
- b. Ensure the safety of female employees in the workplace, in travel to and from the workplace, and on company-related business, and ensure the safety of vendors in the workplace.
- c. Provide and promote policies and programs addressing domestic violence.
- d. Eliminate and disclose unsafe working conditions and provide protection from exposure to hazardous or toxic chemicals in the workplace, particularly when those substances have known or suspected adverse effects on the health of women, including reproductive health.
- e. Allow time off from work for employees seeking medical care or treatment, for themselves or their dependents, including family planning, counseling and reproductive health care, and support return to positions of equal pay and status.
- f. Prohibit discrimination in hiring and employment based on health status, such as individuals with HIV/AIDS positive status or persons with disabilities.
- g. Strive to provide gender equitable health services and insurance.



## 5. BUSINESS, SUPPLY CHAIN, AND MARKETING PRACTICES

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*Corporations will take concrete steps to attain gender equality by adopting and implementing nondiscriminatory business, supply chain, contracting, and marketing policies and practices.*

### **Key elements of this principle include:**

- a. Maintain ethical marketing standards by respecting the dignity of women in all sales, promotional and advertising materials, and excluding any form of gender or sexual exploitation in marketing and advertising campaigns.
- b. Encourage and support women's entrepreneurship, seek to enter into contractual and other business relationships with women-owned businesses and vendors, including micro-enterprises, and work with them to arrange fair credit and lending terms.
- c. Clearly forbid business-related activities that condone, support, or otherwise participate in trafficking, including for labor or sexual exploitation.
- d. Ensure that these Principles are observed not only with respect to employees, but also in relation to business partners such as independent contractors, sub-contractors, home-based workers, vendors and suppliers.
- e. Take these Principles into consideration in product and service development and major business decisions, such as mergers, acquisitions, joint venture partnerships, and financing.

## 6. CIVIC AND COMMUNITY ENGAGEMENT

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*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.*

### **Key elements of this principle include:**

- a. Encourage philanthropic foundations associated with the entity to adhere to these Principles through their donations, grant-making, programmatic initiatives and investments.
- b. Encourage women and girls to enter nontraditional fields by providing accessible career information and training programs designed specifically for them.
- c. Respect female employees' rights to participate in legal, civic and political affairs—including time off to vote—without interference or fear of repercussion or retaliation in the workplace.
- d. Respect employees' voluntary freedom of association, including the voluntary freedom of association of female employees.
- e. Work with governments and communities where the company does business to eliminate gender-based discrimination and improve educational and other opportunities for women and girls in those communities, including support for women's nongovernmental organizations and other community groups working for the advancement of women.
- f. Exercise proactive leadership in its sphere of influence to protect women from sexual harassment, violence, mutilation, intimidation, retaliation, or other denial of their basic human rights by host governments or nongovernmental actors and refuse to tolerate situations where cultural differences or customs are used to deny the basic human rights of women and girls.

## 7. TRANSPARENCY AND ACCOUNTABILITY

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*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.*

### **Key elements of this principle include:**

- a. Publicize commitment to these Principles through a CEO statement or comparably prominent means, and prominently display them in the workplace and/or make them available to all employees in a readily accessible and understandable form.
- b. Develop and implement company policies, procedures, training and internal reporting processes to ensure observance and implementation of these Principles throughout the organization.
- c. Establish benchmarks to measure and monitor progress toward gender equality and report results publicly.
- d. Conduct periodic self-evaluations through data collection and analysis, audits, public disclosure, and reporting on status and progress made in the implementation of these Principles.
- e. Establish a clear, unbiased, nonretaliatory grievance policy allowing employees to make comments, recommendations, reports or complaints concerning their treatment in the workplace.
- f. Engage in constructive dialogue with stakeholder groups, including employees, nongovernmental or nonprofit organizations, business associations, investors, customers, and the media on progress in implementing the Principles.
- g. Be transparent in the implementation of these Principles and promote their endorsement and implementation by affiliates, vendors, suppliers, customers and others with whom it does business.
- h. Strive to ensure that government relations and corporate political spending policies and practices incorporate these Principles.

Calvert wishes to thank the many women leaders, corporate representatives, representatives of labor, human rights, women's advocacy and other non-governmental organizations, and others who were kind enough to provide valuable counsel and advice during the drafting of these *Principles*.



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For more information on The Calvert Women's Principles, please visit Calvert's web site ([www.calvert.com](http://www.calvert.com)).

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**Calvert funds are available at NAV for RIAs and Wrap Programs.  
Not all funds available at all firms.**

