

# THE GENDER EQUALITY SCORECARD<sup>©</sup>

Becoming an employer of choice

A brief introduction to the Gender Equality Scorecard<sup>©</sup>

# THE GENDER EQUALITY SCORECARD®

The Gender Equality Scorecard® is a copyrighted tool developed by SEAF.

SEAF was founded in 1989 and has made over 420 impact investments and 300 exits across more than 38 emerging market funds. Through its 29 offices in Asia, Latin America, Africa and Eastern Europe, SEAF seeks to deliver on its mission of facilitating the flow of capital to private companies in emerging markets for growth and development. SEAF also manages 13 Centers of Entrepreneurship and Executive Development. As a global platform, SEAF has built its legacy in seeing and creating value in SMEs in emerging markets, where the entrepreneurs often suffer from a general lack of available equity capital and knowledge of how to navigate the risks of these markets.

SEAF's investment thesis is that women are often undervalued in the marketplace and the workplace due to gender biases, leading to some businesses themselves being undervalued. SEAF has pursued this investment thesis in its SEAF Women's Opportunity Fund and its successor fund, SEAF Women's Economic Empowerment Fund.

"While SEAF's Gender Equality Scorecard® is copyright protected, SEAF encourages its use by others, including its application, reproduction, translation and distribution, provided that it is not altered and that its source is indicated and that SEAF is informed of any such use.

SEAF welcomes such use, only asking it be informed via email to [ichou@seaf.com](mailto:ichou@seaf.com), with "Use of SEAF Gender Equality Scorecard®" in the Subject Header.

SEAF is also open to a modification of the Gender Equality Scorecard® for another organisation's own purpose, provided that (1) a formal request be submitted to the above address with a description of the modification and the reasons why, and (2) the ultimate revised version indicates the source of the revision."

The Danish Investment Fund for Developing Countries (IFU) – together with the Danish Family Planning Association (DFPA) – has had the opportunity to work with SEAF on the tool and its content. IFU and DFPA consider the Gender Equality Scorecard® to be a very strong and comprehensive tool with high quality indicators, which are intuitive and easy to apply. IFU is proud to apply the tool together with its (potential) investees in our business operations.

We extend our acknowledgement to SEAF for the development of the tool.

IFU's ambition is to make a difference in gender equality in its investments and to keep developing new approaches that will maintain IFU as a front-runner and first mover regarding gender equality in private-sector investments in developing countries and thereby attract other investors to follow suit. Gender equality is a crosscutting issue and a key determinant for sustainable development and growth. The private sector has a responsibility and plays an important role in accelerating sustainable development by integrating gender equality in company practices, giving opportunity and voice to women in the workplace.



**IFU'S AMBITION IS TO MAKE A DIFFERENCE IN GENDER EQUALITY IN ITS INVESTMENTS AND TO KEEP DEVELOPING NEW APPROACHES THAT WILL MAINTAIN IFU AS A FRONT-RUNNER AND FIRST MOVER REGARDING GENDER EQUALITY IN PRIVATE SECTOR INVESTMENTS IN DEVELOPING COUNTRIES AND THEREBY ATTRACT OTHER INVESTORS TO FOLLOW SUIT.**

**IFU GENDER EQUALITY POLICY, 2019.**

## A BRIEF INTRODUCTION TO THE GENDER EQUALITY SCORECARD®

Gender inequality is rooted in the legal, social and cultural structure in a given context and impacts the rights and opportunities of individuals based on their sex and/or gender. Gender inequality disproportionately affects girls and women, however, boys and men as well as sexual and gender minorities also suffer from gender inequality, harmful norms and stereotypes. Often gender inequality is exacerbated by other factors such as educational level, financial situation, race and ethnicity.

The Gender Equality Scorecard® (GES®)<sup>1</sup> is a tool to assess to what degree current practices and policies in a given company support gender equality and health and enable the company to become an employer of choice. It can be used as a due diligence and gender-lens investing toolkit, which enables consistent and comparable gender scoring by companies, organisations and/or funds. The GES® can inspire discussion and internal dialogue in companies about areas of inequality, and how they can tackle gender-related issues in their specific company and context to advance equal opportunity and women's economic empowerment.

The GES® sheds light on several gender-related issues, which will enable users to develop a comprehensive gender lens. It can also serve as a baseline, reporting and tracking tool, allowing users to track progress and developments. For a company with a proven record of accomplishment regarding gender equality and women's empowerment, the GES® can provide a basic framework that assists the company in gathering data, documenting and tracking its good practices and

progress. Applying the tool enables the company to demonstrate the benefits of applying a gender-lens to business and can influence other companies to follow suit, while at the same time attracting investors, skilled staff and customers.

The GES® is intuitive, easy to apply and understand, and it provides users with a quick and thorough visual overview of their strengths and challenges in relation to gender equality. Furthermore, it establishes a basis for strategic plans of action and can be applied in conjunction with national gender equity standards and international guidelines, e.g. the UN Guiding Principles on Business and Human Rights and its Gender Dimensions and the UN Global Compact's Women's Empowerment Principles. For instance, by applying the GES® with national gender equality standards, it will be possible to track and score a company's performance relative to a national gender equity standard.

By promoting the tool, IFU aims to unlock business opportunities for female entrepreneurs and advance women as business leaders, employees and consumers. IFU encourages companies to integrate "gender lens" decision-making into their processes, as applicable, and to demonstrate that investing with a gender lens can grow business returns in addition to social returns.

## WHAT IS THE GENDER EQUALITY SCORECARD?

The GES® is a proprietary tool used to assess women's economic empowerment and gender equality within individual companies.

The GES® can be applied in all political and geographical contexts and is used to:

- Inspire internal discussion and reflection about gender equality and important focus areas
- Strategically assess, score and select potential opportunities for a company to demonstrate commitment to gender equality and women's empowerment
- Identify areas for improvement and ensure that value creation works for the benefit of gender equality and women's empowerment
- Conduct consistent and objective assessments of gender equality aspects within the company
- Track a company's development in terms of becoming a gender champion

## HOW TO DETERMINE GENDER EQUALITY SCORE?

GES® provides an overall rating score for a scored company on its level of integrating gender equality and women's empowerment within the business. It is structured around six gender equality vectors, each with four parameters that are scored on a five-point scale. A 'vector' is the gender equality issue being assessed, while the term 'parameter' refers to the qualitative (policy areas) or quantitative indicators measuring specific gender impacts/data points related to the vector.

The six vectors are:

1. Pay Equity
2. Women's Workforce Participation
3. Gender-diverse Leadership and Governance
4. Benefits and Professional Development
5. Safe & Healthy Workplace Environment
6. Women-powered Value Chains

The five-point score is:

- 5 = Role Model
- 4 = Advancing to Role Model
- 3 = Getting There
- 2 = More Work to Do
- 1 = We Need to Talk

For the parameters within each vector, companies must assess their management of each specific gender issue, drawing on a management framework - and how well it is applied and documented across the following dimensions:

- **Commitment:** a company either has a tacit commitment or a formal commitment to the issue.
- **Communication:** a company communicates its commitment and strategy to staff and where relevant, other stakeholders.
- **Implementation:** a company implements one or more practices, operationalising its approach.
- **Measurement:** a company measures or tracks its actual performance related to a specific issue.
- **Accountability and transparency:** a company reviews its approach and performance annually, and acts on findings.

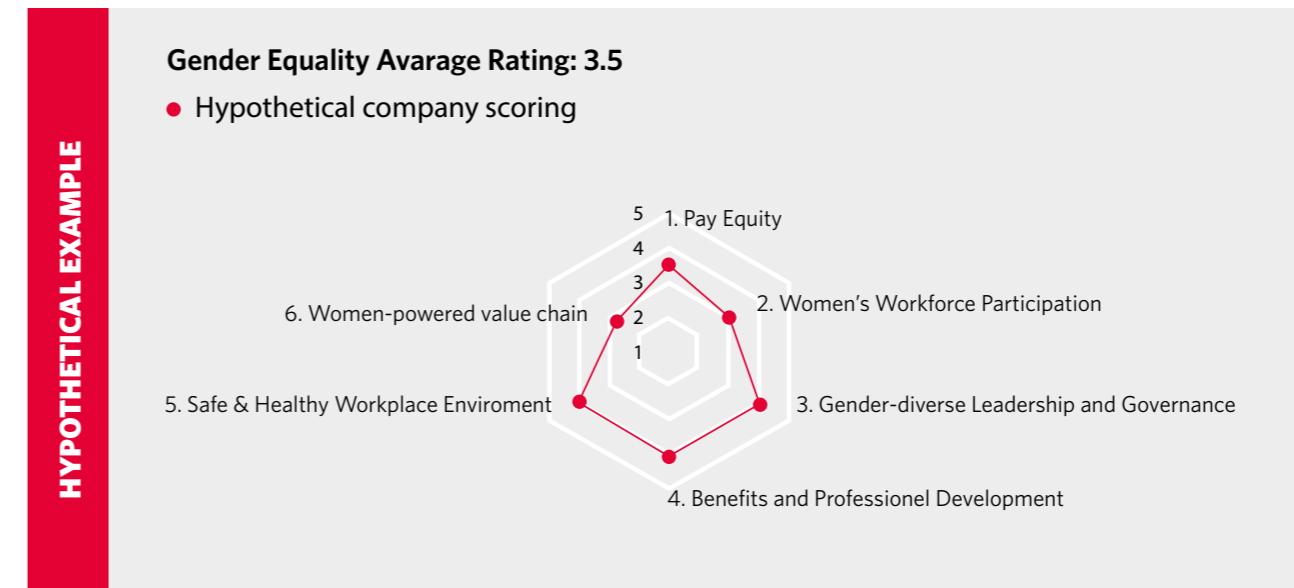
Figure 1. is a hypothetical example of an overall five-point score.

In order to compute the gender equality rating, extensive payroll and employee data are required as well as qualitative data. The human resource department is instrumental in providing this important quantitative and qualitative information. A template (an excel sheet with preset formulas) of the required information that companies need to submit, is provided in Appendix A in the complete GES manual.

In the hypothetical example, the company received a 3.5 (out of 5) gender lens rating, which is encouraging and highlights the strength in Gender-diverse Leadership and Governance, Benefits and Professional Development, and Safe and Healthy Workplace Environment. It also indicates that improvement is necessary in relation to Pay Equity, Women's Workforce Participation and Women-powered Value Chains.

As indicated, the overall gender-rating score is a composite rating of the six vectors, which are themselves composites of their respective four parameters, which are also scored on the five-point scale. For example, the Pay Equity vector is a composite of female/male hourly compensation, female/male salaried compensation, women in the top 10 percent of compensated employees, and compensation policies and practices. When certain parameters do not apply to the company, the vector will be calculated based on the average of the remaining three parameters. Please see the GES Rating Matrix on page 8-11 for more details about the six gender equality vectors and related parameter scores.

Figure 1. A hypothetical example of an overall five-point score.



<sup>1</sup> The complete Gender Equality Scorecard manual can be requested from IFU or downloaded at <https://www.seaf.com/GES-manual/>

## HOW TO START APPLYING THE TOOL

To apply the GES, a comprehensive set of qualitative and quantitative data is required. Among other things, gender disaggregated data, workplace policies and pay practices need to be gathered by the company's human resource department. An excel sheet is available, which includes information about what type of data to collect and how to process this data. The excel sheet will enable the company to structure the data and create an output of a baseline, which provides it with a comprehensive and easily understandable overview of gender equality. The qualitative and quantitative data that the company gathers can be used for communication purposes with internal and external stakeholders.

### It is advisable that HR:

1. Gets commitment from senior management to initiate the process
2. Plans an initial workshop session with the management team (2-3 hours)
3. Prepares required data - extensive payroll and employee data to evaluate the company's GES baseline (excel sheet available)
4. Plans interviews with key stakeholders, e.g. member of the board, CEO, Human Resource Managers, employees, suppliers and customers to gather qualitative data to evaluate the company's GES baseline (7 hours)
5. Prepares facilitator role, how to score on each parameter and how to show results (spiderweb excel sheet available)
6. Prepares scoreboard for each vector (Appendix C in the complete GES manual)
7. Considers decisions for next steps - next meeting, participants and development of a Gender Equality Action Plan that outlines deliverables, action points, responsibilities, reporting protocols and deadlines

## GES® AND INTERNATIONAL INDICATORS

Companies and organisations that promote women's economic empowerment and gender equality apply different frameworks and monitoring mechanisms to track progress and impact. However, initiatives have been established to harmonise internationally agreed indicators.

In 2018, the Development Finance Institutions from the G7 countries launched the 2X Challenge to unlock resources that will advance women's economic empowerment and gender equality, see more at [www.2Xchallenge.org](http://www.2Xchallenge.org).

To better measure the impact of investments in gender equality and women's empowerment, 2X Challenge adopted the IRIS+ metrics, an accepted system for impact investors to measure, manage and strengthen impact. IRIS+ can be used by companies, asset owners and asset managers and other impact investing stakeholders to understand, assess and advance impact performance; and enable them to translate impact intentions into real results in a clear, consistent and credible way. In order to harmonise and facilitate wider stakeholder engagement in relation to the GES®, the 24 parameters of the GES® have been aligned with the IRIS+ metrics under each section to facilitate communication with a common gender equality performance language and terminology. We welcome all IFU investees to apply this GES tool and look forward to seeing achievements.

# THE GENDER EQUALITY SCORECARD®

Pay Equity

Women's Workforce Participation

Gender-diverse Leadership and Governance

Benefits and Professional Development

Safe & Healthy Workplace Environment

Women-powered Value Chains



PAY EQUITY	1 (We Need To Talk)	2 (More Work to Do)	3 (Getting There!)	4 (Advancing to Role Model)	5 (Role Model)
Approach to advance pay equity based on international expectations	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5: <ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Women/men compensation ratio for hourly workers (percent of women's to men's)	0 to 60%	61 to 75%	76 to 85%	86 to 95%	>95%
Women/men compensation ratio for salaried employees (percent of women's to men's)	0 to 60%	61 to 75%	76 to 85%	86 to 95%	>95%
Women/men ratio of company's top 10 percent compensated employees (percent of women's to men's)	0 to 60%	61 to 75%	76 to 85%	86 to 95%	>95%
WOMEN'S WORKFORCE PARTICIPATION	1 (We Need To Talk)	2 (More Work to Do)	3 (Getting There!)	4 (Advancing to Role Model)	5 (Role Model)
Approach to promote gender diversity in recruitment	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5: <ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Women's percent of salaried employees	0 to 10%; 91 to 100%	11 to 20%; 81 to 90%	21 to 30%; 71 to 80%	31 to 40%; 61 to 70%	41 to 60%
Women's percent of hourly workers	0 to 10%; 91 to 100%	11 to 20%; 81 to 90%	21 to 30%; 71 to 80%	31 to 40%; 61 to 70%	41 to 60%
Women's turnover ratio (percent of male turnover)	>150%	131 to 150%	116 to 130%	106 to 115%	<105%

GENDER-DIVERSE LEADERSHIP AND GOVERNANCE	1 (We Need To Talk)	2 (More Work to Do)	3 (Getting There!)	4 (Advancing to Role Model)	5 (Role Model)
Women's board representation (percent of total board members)	0%	1 to 10%	11 to 25%	26 to 45%	>45%
Women's senior management representation (percent of total Senior Management members)	0%	1 to 10%	11 to 25%	26 to 45%	>45%
Women's middle management representation (percent of total middle managers)	0%	1 to 10%	11 to 25%	26 to 45%	>45%
Women's ownership (percent of total ownership)	0%	1 to 10%	11 to 25%	26 to 45%	>45%
BENEFITS & PROFESSIONAL DEVELOPMENT	1 (We Need To Talk)	2 (More Work to Do)	3 (Getting There!)	4 (Advancing to Role Model)	5 (Role Model)
Approach to paid parental leave	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5: <ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Health insurance policies that recognises the different health needs of women and men	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5: <ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Approach to promote women's professional development and training	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5: <ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				

Approach to ensure non-discrimination and equal opportunity in performance review and promotion processes	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5:				
	<ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
<b>SAFE AND HEALTHY WORKPLACE ENVIRONMENT</b>	<b>1</b> (We Need To Talk)	<b>2</b> (More Work to Do)	<b>3</b> (Getting There!)	<b>4</b> (Advancing to Role Model)	<b>5</b> (Role Model)
Approach to integrating environmental impact on women and girls, including climate change vulnerabilities between women and men, in its environmental protection measures	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5:				
	<ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Approach to address sexual harassment and gender-based violence in the workplace	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5:				
	<ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Approach to occupational health and safety addresses the specific health, safety, and hygiene needs of women at work	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5:				
	<ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Approach to promote gender equality and women's empowerment through inclusion, transparency and respect policies and practices	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5:				
	<ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				

<b>WOMEN-POWERED VALUE CHAINS</b>	<b>1</b> (We Need To Talk)	<b>2</b> (More Work to Do)	<b>3</b> (Getting There!)	<b>4</b> (Advancing to Role Model)	<b>5</b> (Role Model)
Approach to promote gender diversity (in management) of supplier workforce / Approach to promote gender diversity in supplier employees overall	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5:				
	<ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Approach to target women customers with its products and/services	A maximum of 5 points could be allocated on this parameter, depending on what management framework has been applied. I.e. if the company practises one of the following dimensions, it scores 1. If it has all of the five practices, it scores 5:				
	<ul style="list-style-type: none"> <li>• Commitment (evidence of stakeholder consultation)</li> <li>• Communication</li> <li>• Implementation</li> <li>• Measurement</li> <li>• Accountability and transparency</li> </ul>				
Women employees in procurement department (percent of total procurement staff)	0%	1 to 10%	11 to 25%	26 to 45%	>45%
Women/men ratio in marketing and product design (percent of total marketing and product design staff) promotion processes	0%	1 to 10%	11 to 25%	26 to 45%	>45%

## ABOUT US

### THE INVESTMENT FUND FOR DEVELOPING COUNTRIES (IFU)

IFU creates development on a commercial basis. Through investment in private companies in developing countries and emerging markets in Africa, Asia, Latin America and parts of Europe, IFU helps establish financially sustainable companies and has derived positive development effects for employees, partners and society.

IFU has increased its focus on gender equality and health among its investments. In 2019, IFU adopted a Gender Equality Policy as a part of its overall sustainability policy. It is IFU's ambition to make a difference in gender equality through its investments and to develop new approaches that will maintain IFU's position as a front-runner in gender equality in private-sector investment in developing countries, and so attract other investors to follow suit.

IFU believes that opportunities exist to create value in companies and communities by integrating gender equality in company leadership and corporate culture, business practices, workplace policies and health initiatives to empower employees. IFU further believes that there are commercial, developmental and societal benefits to investing in gender equality and women's empowerment.

Visit [www.ifu.dk](http://www.ifu.dk) for more information.

### THE DANISH FAMILY PLANNING ASSOCIATION (DFPA)

DFPA is a private, non-governmental organisation without religious or political affiliations, and is the Danish member association of the International Planned Parenthood Federation (IPPF), the world's largest sexual and reproductive health and rights (SRHR) organisation. DFPA has been working in developing countries for more than 20 years, promoting SRHR of young people, women and men.

In recent years, DFPA has engaged increasingly with the private sector in developing countries, partnering with companies and business associations to institutionalise health, including SRHR, and gender equality in private sector workplaces. DFPA believes that the private sector is critical to engage to develop responsible business practices and to improve the lives of men and women in the world of work. Visit [www.sexogsamfund.dk](http://www.sexogsamfund.dk) for more information.

### PARTNERSHIP

IFU and DFPA have been in a strategic partnership since 2016, developing strategies, tools and methods for how IFU project companies and investment professionals can advance their work in gender equality and health. This publication is part of that work. If you have any questions about the work or would like more information about how your company can strengthen gender equality and health, please do not hesitate to reach out to IFU and DFPA.

DFPA  
THE DANISH FAMILY  
PLANNING ASSOCIATION