



## Gender-Smart Investing Resource Hub

### Gender Scoring Tool Methodology

#### Background

ICRW has created sector-specific **Gender Scoring Tools** that allows users to input company data and generate a customized Gender Scorecard. The questions in the GSI Scoring Tools were shaped by ICRW's own research into what works to empower women and girls across different value chains. The tools were also informed by various sources including: the Women's Empowerment Principles (UN Women and UN Global Compact), the Gender Equality Mainstreaming Framework (MEDA), and the Women & Social Enterprises Diagnostic Tool (ICRW and Acumen), as well as the approaches of Equileap and SEAF's Gender Equality Scorecard.

The scorecard examines 5 cross-cutting domains related to gender: (a) Governance/Board; (b) Senior Management and Workforce; (c) Suppliers and Distributors; (d) Consumer Markets; and (e) the Community. While the questions related to *Gender Equity in the Workplace* are similar to the topic areas of other scoring tools, the sector-specific *Value Chain* questions are largely new. These draw from research on gender materiality and best practices related to gender in the various industries, much of which is reflected in the **Gender Opportunities Explorer** on sector pages of the Hub.

The **Gender Equity in the Workplace** section asks common questions across sectors, spanning 8 categories: (1) *Representation*; (2) *Leadership Buy-in*; (3) *Recruitment & Hiring*; (4) *Professional Development Opportunities*; (5) *Pay Equity*; (6) *Flexible Work & Care*; (7) *Health & Safety Considerations*; and (8) *Addressing Gender-based Violence and Harassment*.

**Value Chain** segments vary depending on the sector. For example, Off-Grid Energy includes (a) *Design and R&D*; (b) *Production and Manufacturing*; (c) *Marketing and Sales*; (d) *Distribution and Installation*; and (e) *After-Sales Service*. A company may follow the filtering questions to skip any segments of the sector value chain in which it is not active.

Power Infrastructure is organized slightly differently: users self-filter at the beginning. Given the range of organizations and actors in the end-to-end global value chain, this scoring tool is divided into 4 pathways. Some of the value chain questions do not appear in pathways where they are not relevant. For instance, investments could be made to develop a new hydropower project through a special purpose vehicle, capacitate a public-private partnership to generate and distribute power, or finance a later stage manufacturing company to start producing turbines. The gender opportunities may vary in each of these investments. Therefore users select the pathway for the value chain segment where the potential investment would be made. There is no separate Value Chain sub-score for this sector, but rather each pathway of the questionnaire represents a segment of the global value chain:

1. Industrial Product Design, Manufacturing and Export
2. Energy Infrastructure Development
3. Generation, Transmission, Transportation & Storage
4. Electricity Distribution

#### Scorecard Weighting

Most "Yes/No" questions in the scoring tools are worth 1 point. Three-option questions are generally worth up to 2 points [e.g., "Less than 25%" (0 points), "Between 26 and 45%" (1 point), "Over 45%" (2 points)]. If the question includes "Check all that apply", then generally each option checked is worth 1 point.

On several questions, responses are weighted depending on factors such as the financial or labor resource required to implement this practice, as well as the potential to enhance gender equity, economically empower women, and link to material co-benefits for the business. Practices that are more resource-intensive and/or have the potential for greater impact are worth more points than those that are less likely to be impactful.



For example, Question 14 on the agriculture tool asks: “Does the company do any of the following related to professional development and promotion processes? Check all that apply.” Each option is worth 1 point, except the fourth option which is worth 0.5 points (“Have measures in place to ensure professional development programs are scheduled at times that accommodate the scheduling needs of both men and women, taking into consideration care responsibilities”) since it is “lighter touch” than the other options.

Another example is Question 15, which asks: “Does the company do any of the following related to pay and compensation? Check all that apply.” The third option (“Undertake a gender pay gap audit or evaluation to ensure equal pay for work of equal value”) is weighted at 1.5 points given the higher level of resources required for this task and its high potential impact.

Lastly, Question 16 (“Does the company have a policy regarding the definition, prohibition and prevention of sexual harassment and all forms of violence at the workplace?”) only has two options (“Yes” or “No”), but answering “Yes” provides 2 points, given the importance of this topic area for achieving gender equity in the workplace. For more information on specific points awarded to each option, please contact [advisors@icrw.org](mailto:advisors@icrw.org).

#### **For Agriculture and Off-Grid Energy:**

**Overall score:** The Overall score does not simply average the 5 domains equally. *Senior Management and Workforce* is weighted the heaviest (45%), at twice the value of both *Suppliers and Distributors* (22%) and *Consumers* (22%), and the *Board* is weighted the least (11%), at a quarter of the workforce value. This breakdown reflects the importance of ensuring the company models equitable practices internally, and harnesses the material impacts that evidence has shown are related to the gender diversity in the workforce.

Questions pertaining to the *Community* domain are typically considered auxiliary opportunities for leaders in the particular sector, as opposed to critical gender-related actions within their core business. For Off-Grid Energy and Agriculture, gender opportunities in the *Community* domain afford the company “bonus” points. This is because, while there may be shared value created for the company and community, there are few known materiality impacts of such investments in the immediate sense.

**Value Chain sub-score** and The *Value Chain* sub-score is an average of the scores for questions under each of the 5 value chain segments.

**Gender Equity in the Workplace sub-score:** The *Gender Equity in the Workplace* sub-score is an average of the scores for each of the 8 categories.

**Services & Products Impacting Gender Equity and Women’s Empowerment:** This sub-score is currently only captured by the Off-Grid Energy Scoring Tool. It assigns equal weight to four of the sector’s value chain questions [(a) “Does the company target women consumers?” (b) “Does the company offer products/services that impact women’s empowerment?” (c) “What percentage of customers are women?” and (d) “Are target female consumers included during design and production?”], and half weight to questions related to financing and marketing [(a) “Does the company provide financing for women consumers?” and (b) “Are marketing messages / sales approaches tailored to women consumers?”]. These values relate to the conditions that enable (or disable) more women from accessing the products/services offered.

#### **For Power Infrastructure:**

**Overall score:** For this sector, the contribution of each section of questions to the overall score varies based on the pathway selected. Some of the sections do not appear in pathways where they are not relevant. Unlike in Agriculture and Off-grid Energy, community interventions may or *may not* be considered “bonus” points, as some opportunities clearly link to project success or materiality impacts (e.g., gender-responsive resettlement action planning; building the pipeline of STEM-qualified women from which to recruit new technical talent).



Select TOOL PATHWAY based on where in the power sector global value chain the investment will be made >>>	Industrial Product Design, Manufacturing and Export	Energy Infrastructure Development	Generation, Transmission, Transportation & Storage	Electricity Distribution
Relative WEIGHT of each section in Overall Score for specific pathway:				
Gender Balance in Governance	10%	20%	10%	10%
Gender Equity in Workforce (Representation, policies, practices)	55%	15%	50%	45%
Gender Inclusion in Supply Chain (Suppliers / Distributors)	35%	40%	35%	30%
Gender Lens with Consumers	Bonus	Not Relevant	Not Relevant	15%
Gender Opportunities in Community	Bonus	25%	5%	Bonus
OVERALL:	100%	100%	100%	100%

The sector also has two sub-scores that are weighted consistently for all 4 pathways: Workplace and Women’s Representation.

**Workplace:** Relevant survey questions are again tagged to one or more of the 8 workplace categories. Each category is then weighted at 12.5% of the sub-score, making this sub-score an average of the relevant categories.

**Women’s Representation:** This sub-score extracts just the Representation tagged questions to provide a closer look at the roles and levels where women currently participate. Each representation category is weighted at 10% of this sub-score, except Senior Leadership and Management Roles, which are each weighted at 20%.

**“Cannot Answer” and “Not Relevant”**

Selecting “Cannot Answer” signifies that the question may be relevant for the company, but that the information is not available. Selecting “Not Relevant” signifies that the question is not relevant (or likely to become relevant) to either the business model or investment thesis. These options deduct the possible points from the total score *and* the denominator against which the score is measured. In this sense, companies are not penalized in their ultimate gender scores when selecting these options. However for a greater level of confidence in interpreting scorecards in the future, investors should encourage companies to start collecting data for those relevant questions that cannot yet be answered.