



AS YOU SOW

Workplace Equity & Racial Justice



AS YOU SOW

Workplace Equity & Racial Justice Webinar
Wednesday, November 18, 2020





Workplace Equity & Racial Justice



Meredith Benton
Consultant to *As You Sow*:
Workplace Equity Initiative
Principal and Founder:
Whistle Stop Capital, LLC



Olivia Knight
Racial Justice Initiative Coordinator
As You Sow

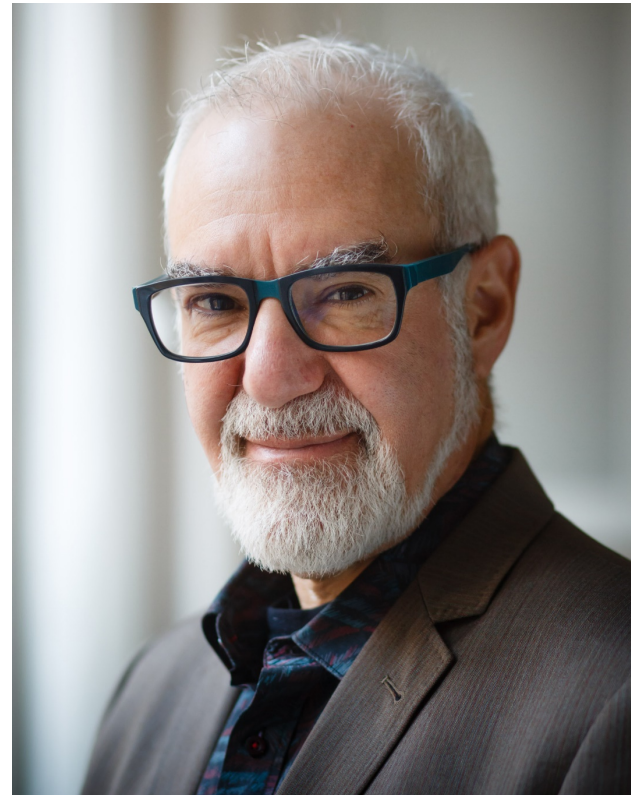


Patience Marime-Ball
Founder and CEO
Women of the World Endowment



Overview

MODERATOR
Andrew Behar
CEO
As You Sow





Audience Q & A

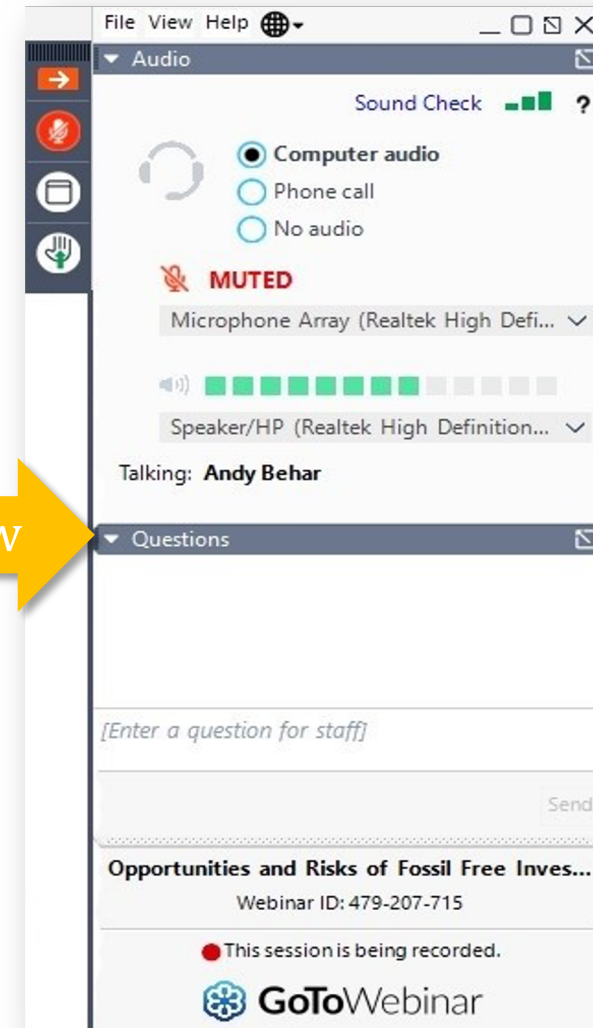
See the report details and data visualizations at:

<https://asyousow.org/our-work/social-justice/racial-justice>

<https://asyousow.org/our-work/social-justice/workplace-equity>

Use the Q&A window to send us your questions

Q&A Window





Agenda

- Overview
- Diversity, Equity, and Inclusion Disclosure Scorecard
- Racial Justice Scorecard
- Investing Aligned with Your Values
- Q&A

Workplace Equity Data Disclosure

Meredith Benton

*Consultant to As You Sow: Workplace Equity Initiative
Principal and Founder: Whistle Stop Capital, LLC*

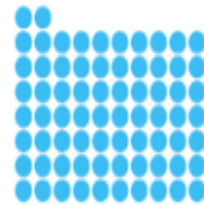


Whistle Stop Capital

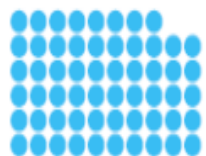
Discrimination is Pervasive



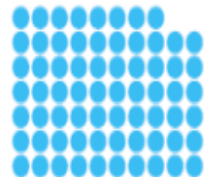
For every **100 men** who were promoted to management...



...only **72 women** were promoted



...only **58 Black women** were promoted

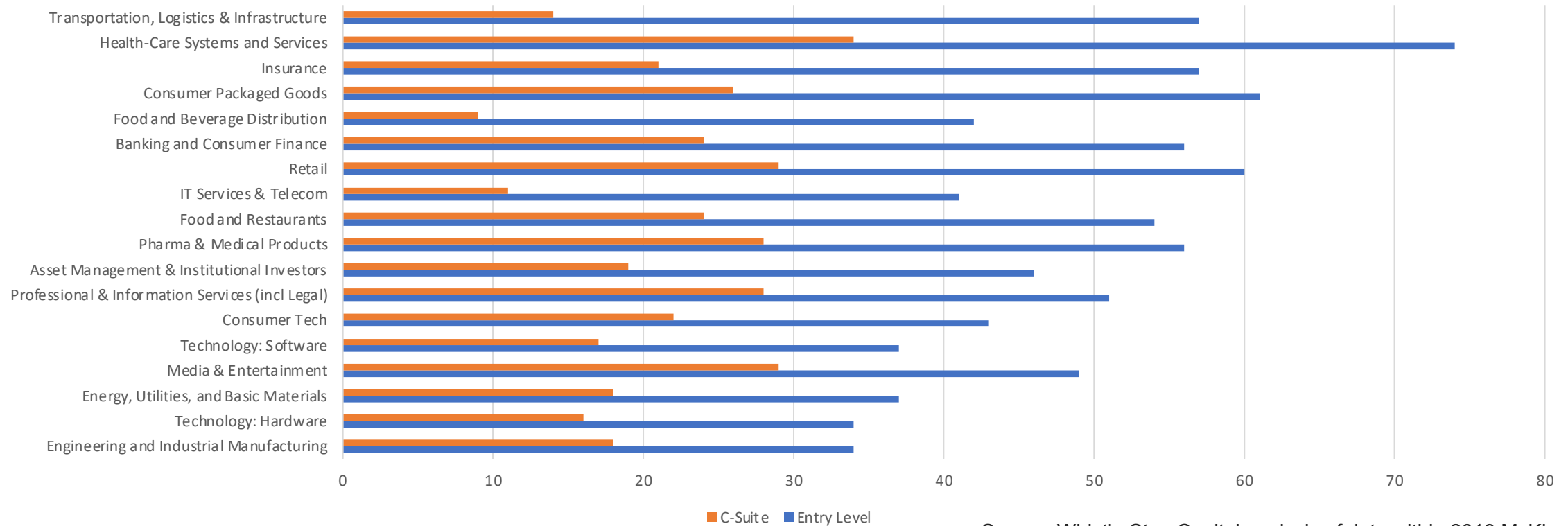


...only **68 Latina women** were promoted

Source: 2019 McKinsey & Company and LeanIn.Org Women in the Workplace study

No One Industry is Better or Worse

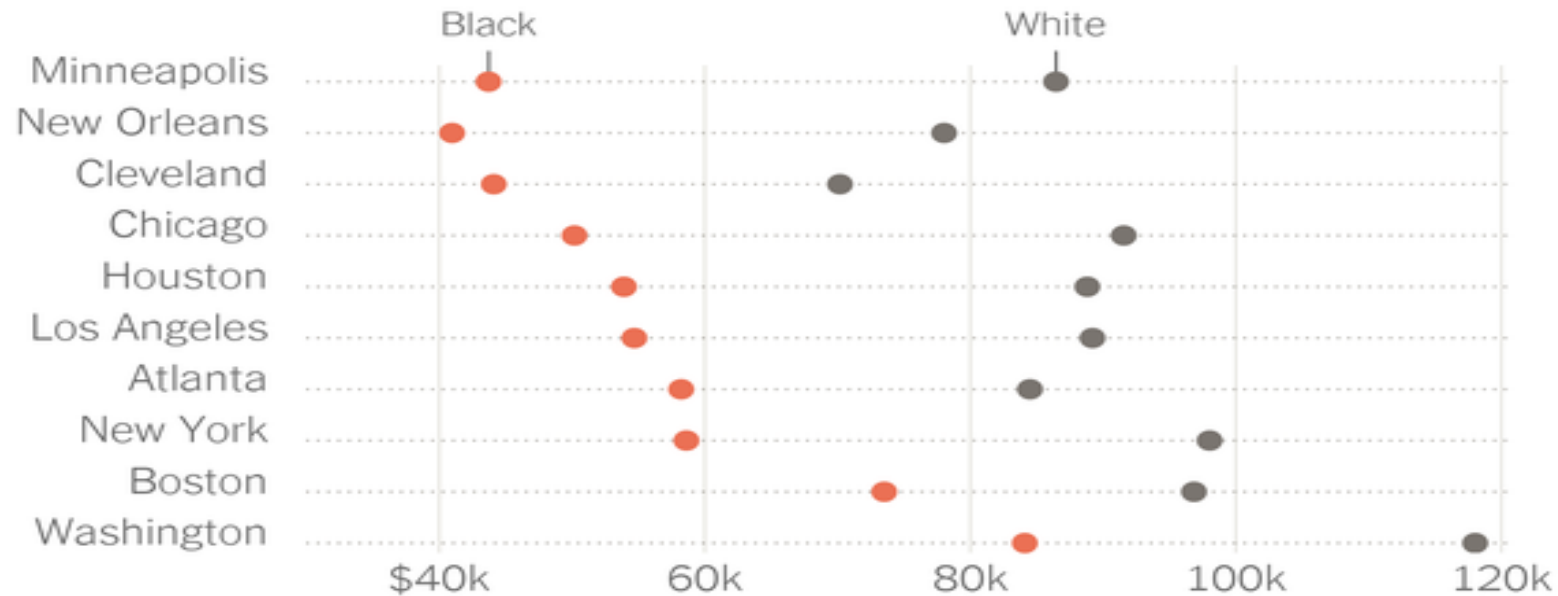
Promotion Gap - Gender



Source: Whistle Stop Capital analysis of data within 2019 McKinsey & Company and LeanIn.Org Women in the Workplace study

No Region is Better or Worse

Median Household Income, by Metro Area and Race



For selected metro areas.

| By The New York Times; Source: Moody's Analytics

Source: June 1, 2020

The New York Times

"The Minnesota Paradox"



DEI Matters for Long-Term Success

- Firms where more than 20% of the top managers were women saw higher share price rise over the past decade than did other companies, according to Credit Suisse.
- McKinsey & Company found that companies in the top quartile for ethnic and cultural diversity on executive teams were 33% more likely to have industry-leading profitability. Top quartile companies for gender-diverse executive teams were 27% more likely to outperform bottom quartile companies.
- Sustainalytics has found that the management of human capital has alpha that “is positive, economically material and statistically significant.” Its research indicates that abnormal returns exist for momentum-based strategies associated with improving human capital management practices.

Investors are Calling for Data

***As You Sow's* Workplace Equity Disclosure Statement**

\$1.9tr in assets represented and over 140 signatories have signed an Investor Statement calling for greater corporate disclosure of workplace equity metrics.

“The undersigned investors ask that all companies ensure that they have made transparent and accessible key data related to gender, race and broader workplace equity.”



The screenshot shows the top portion of the As You Sow website. At the top right, there is a navigation menu with links for ABOUT US, BLOG, OUR WORK, REPORTS, RESOLUTIONS, and MEDIA. A green checkmark icon is visible on the left side of the page. Below the navigation, there is a prominent orange button labeled DONATE. The main heading reads WORKPLACE EQUITY DISCLOSURE STATEMENT. Below this heading is a green-bordered button with the text SEE THE INVESTOR STATEMENT. The main body of text describes the statement, mentioning that in July 2019, 101 signatories representing 1.73 trillion in AUM called for an increase in corporate transparency on workplace equity data. It also notes that the statement was re-opened to signatories in July 2020 and is currently supported by 125 signatories representing \$1.88 in AUM. A link to the Investor Statement is provided at the bottom.

ABOUT US BLOG OUR WORK REPORTS RESOLUTIONS MEDIA

[DONATE](#)

WORKPLACE EQUITY DISCLOSURE STATEMENT

[SEE THE INVESTOR STATEMENT](#)

In July, 2019, 101 signatories, representing 1.73 trillion in AUM, called for an increase in corporate transparency on workplace equity data. Investors called for companies to release meaningful data on policies, practices and outcomes related to workforce composition, promotion, recruitment, and retention rates, as well as pay practices.

This Investor Statement was re-opened to signatories in July, 2020. It is currently supported by 125 signatories representing \$1.88 in AUM. To add your organization, please visit the [Investor Statement](#).



Benchmarking the S&P250 – Creation of a Public Resource

As You Sow and Whistle Stop are benchmarking the workplace equity disclosures of the S&P 500. The four pillars are:

1. Diversity Data Disclosures

- Any Workplace Composition, (5%)
- EEO-1 Disclosures (20%)

2. Pay Gap Data Disclosure

3. Inclusion Data Disclosure

- Promotion, recruitment, retention rates by gender, race and ethnicity

4. Explicit DEI Goals Publication



Benchmarking the S&P250 – Creation of a Public Resource

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1. Diversity Data Disclosures

- Any Workplace Composition, EEO-1 Disclosures

2. Pay Gap Data Disclosure

- Mean pay gap by gender (1.25%)
- Median pay gap by gender (1.25%)
- Mean pay gap by race (1.25%)
- Median pay gap by race (1.25%)

3. Inclusion Data Disclosure

- Promotion, recruitment, retention rates by gender, race and ethnicity

4. Explicit DEI Goals Publication



Benchmarking the S&P250 – Creation of a Public Resource

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2. Pay Gap Data Disclosure

3. Inclusion Data Disclosure

- Promotion by gender, race and ethnicity - Male, Female, White, Black, Hispanic, Asian, Native American, Other (2.5% each)
- Recruitment by gender, race and ethnicity - Male, Female, White, Black, Hispanic, Asian, Native American, Other (2.5% each)
- Retention rates by gender, race and ethnicity - Male, Female, White, Black, Hispanic, Asian, Native American, Other (2.5% each)

4. Explicit DEI Goals Publication



Benchmarking the S&P250 – Creation of a Public Resource

As You Sow and Whistle Stop are benchmarking the workplace equity disclosures of the S&P 500. The four pillars are:

- 1. Diversity Data Disclosures**

- Any Workplace Composition, EEO-1 Disclosures

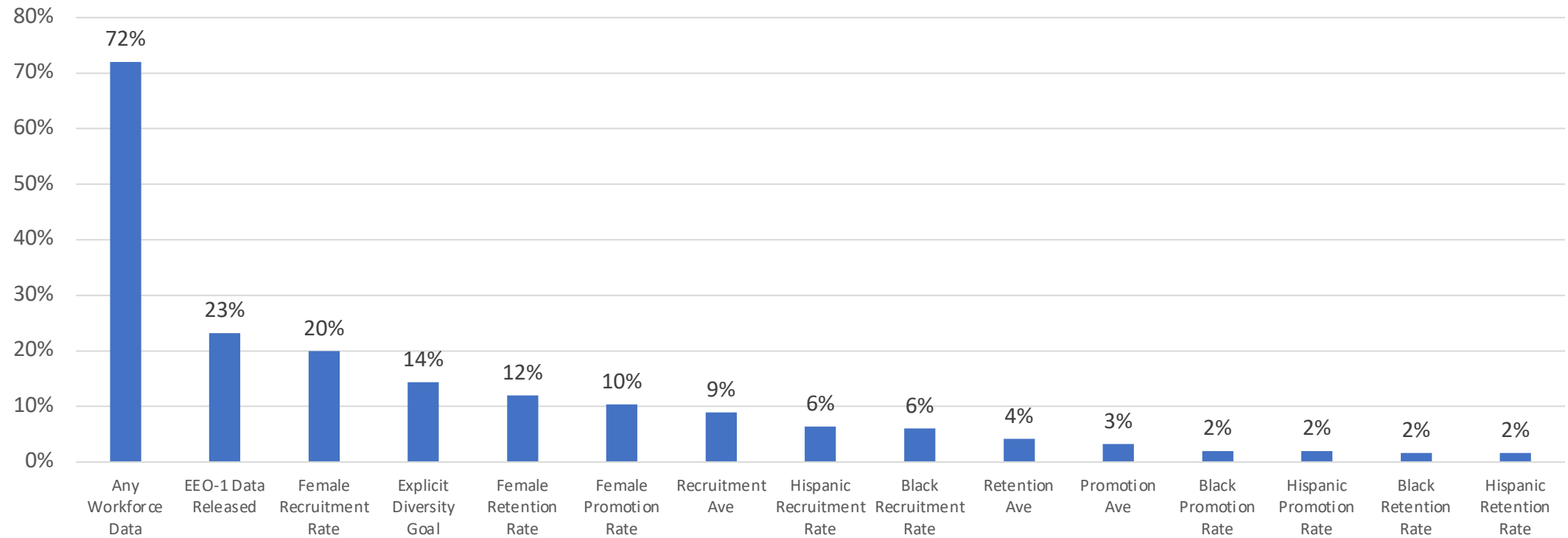
- 2. Pay Gap Data Disclosure**

- 3. Inclusion Data Disclosure**

- Promotion, recruitment, retention rates by gender, race and ethnicity

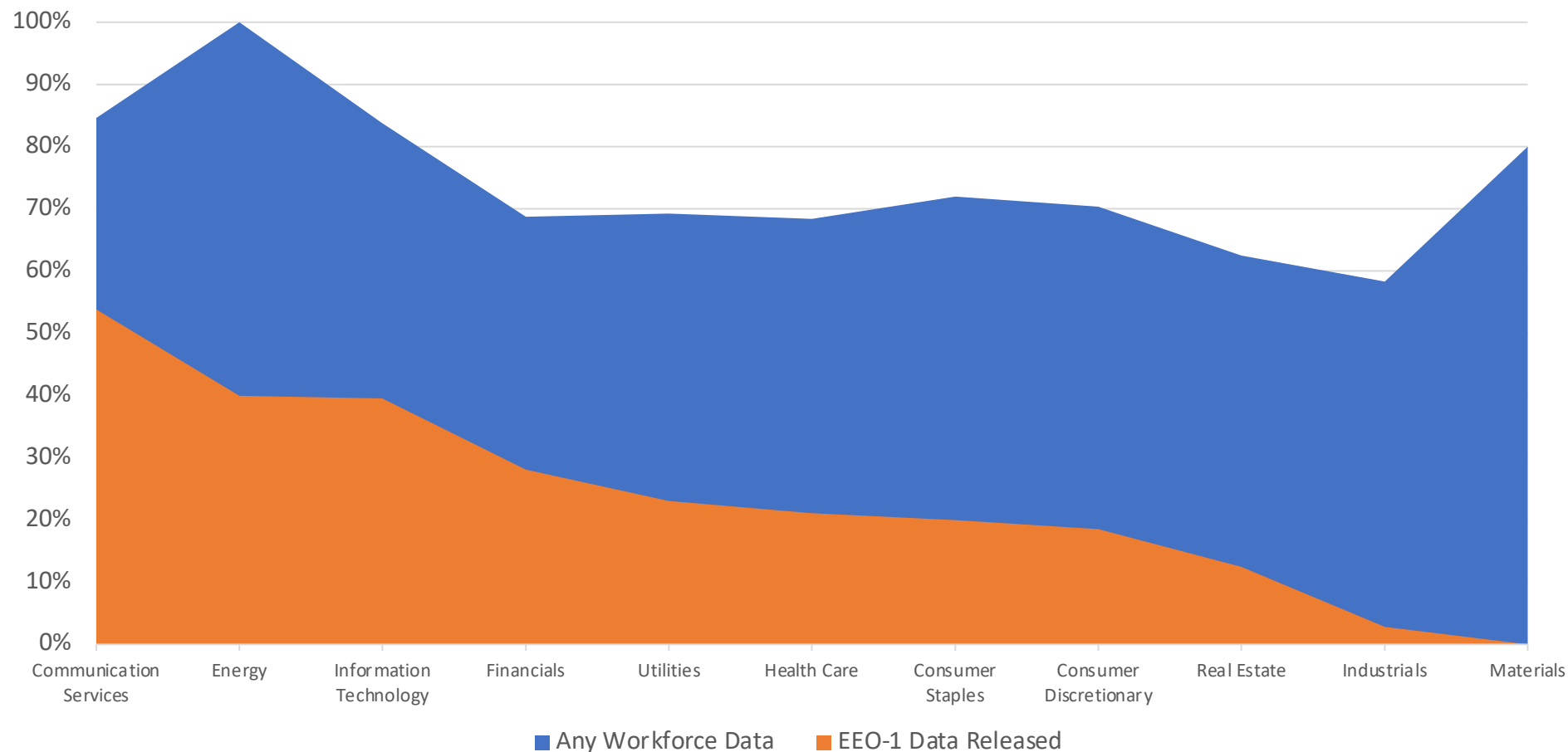
- 4. Explicit DEI Goals Publication (10%)**

Initial Findings - S&P250



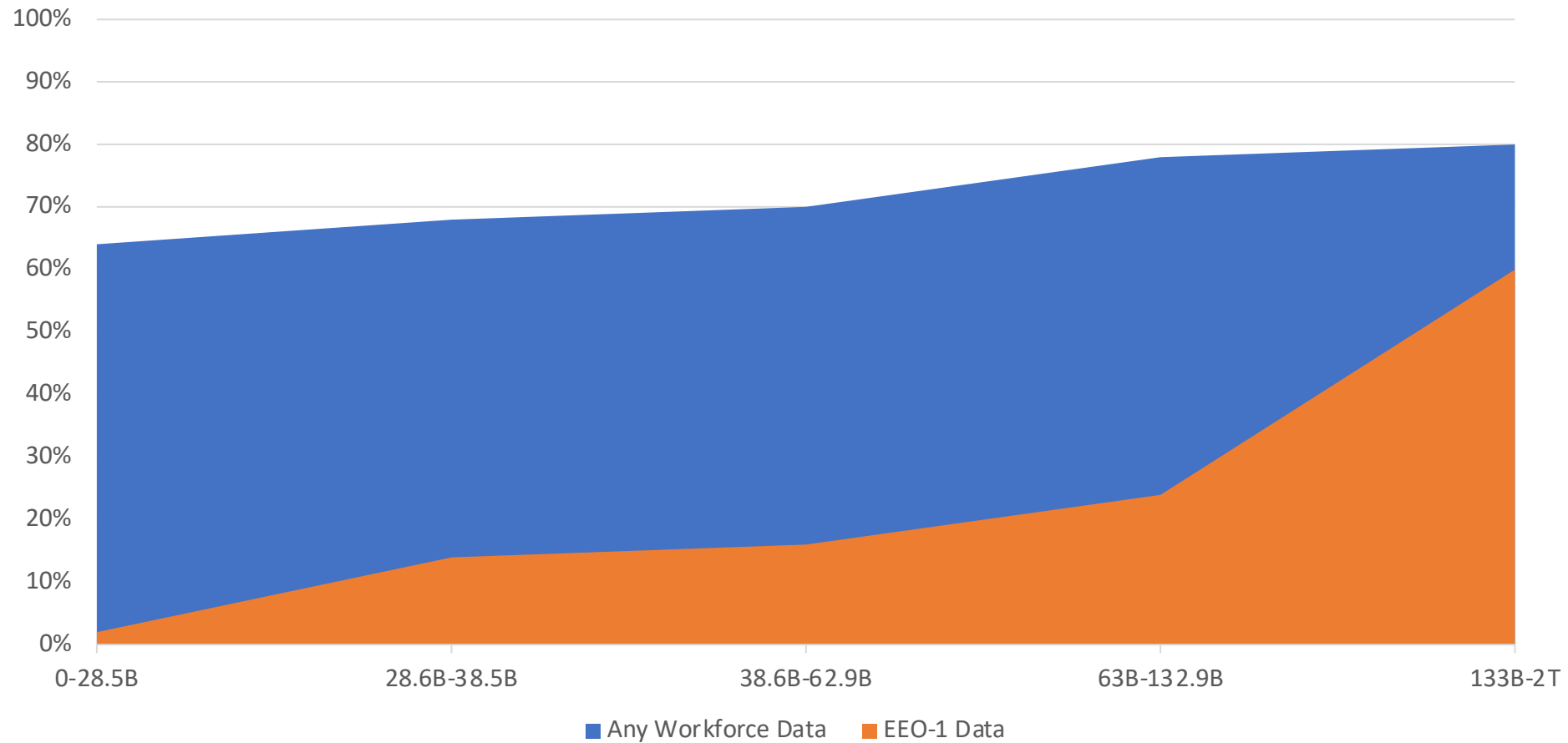


Companies uniformly show that diversity data matters, but usability of data varies by industry



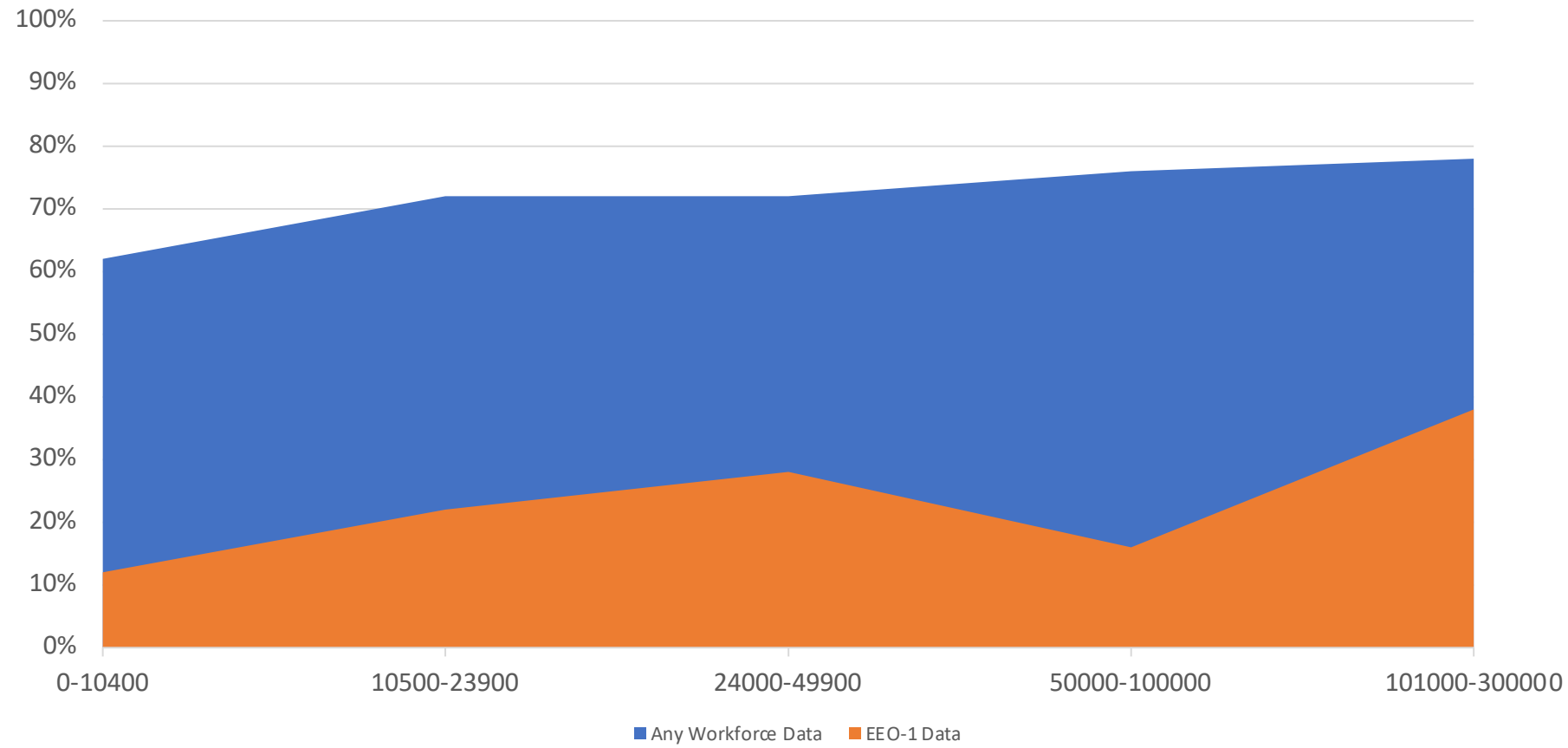


Quality of data improves with larger market cap



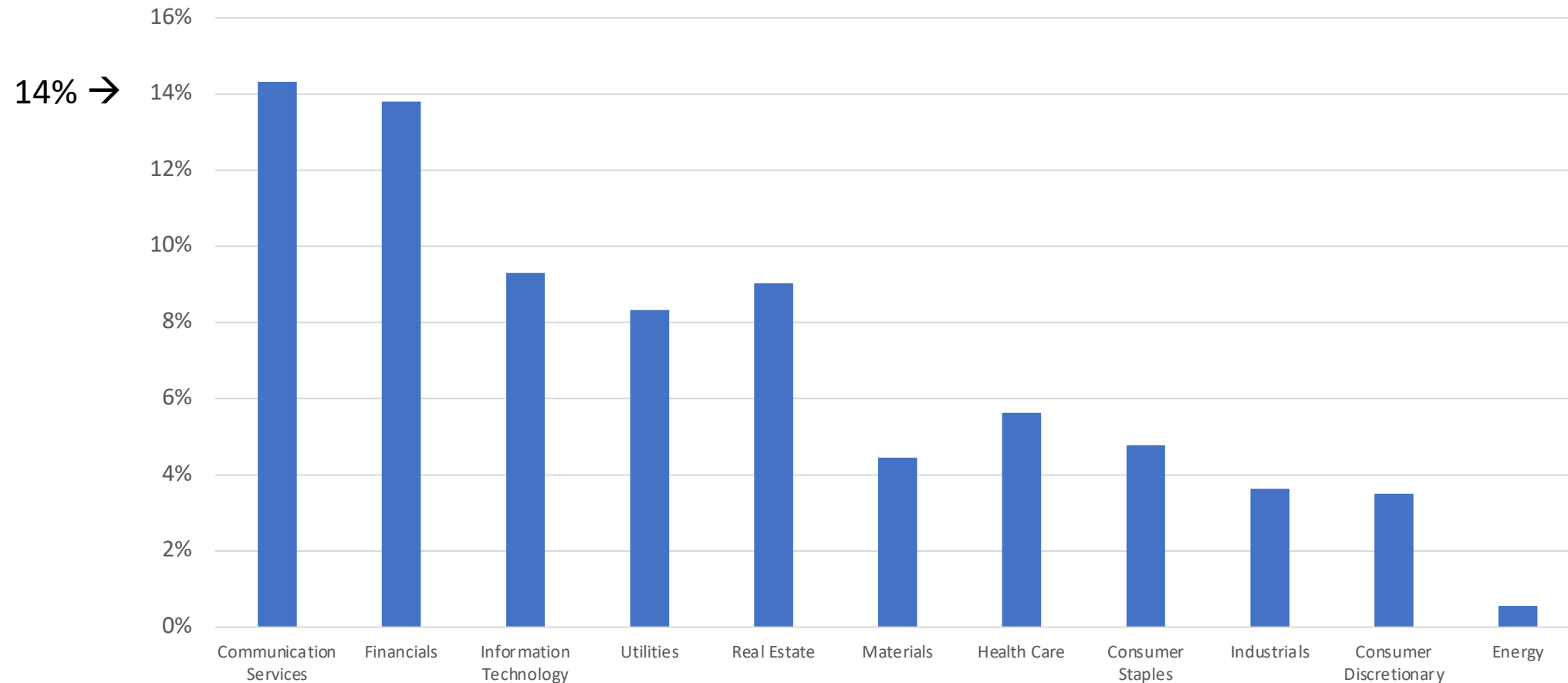


The connection is there, but not as strongly, when it comes to employee head count.



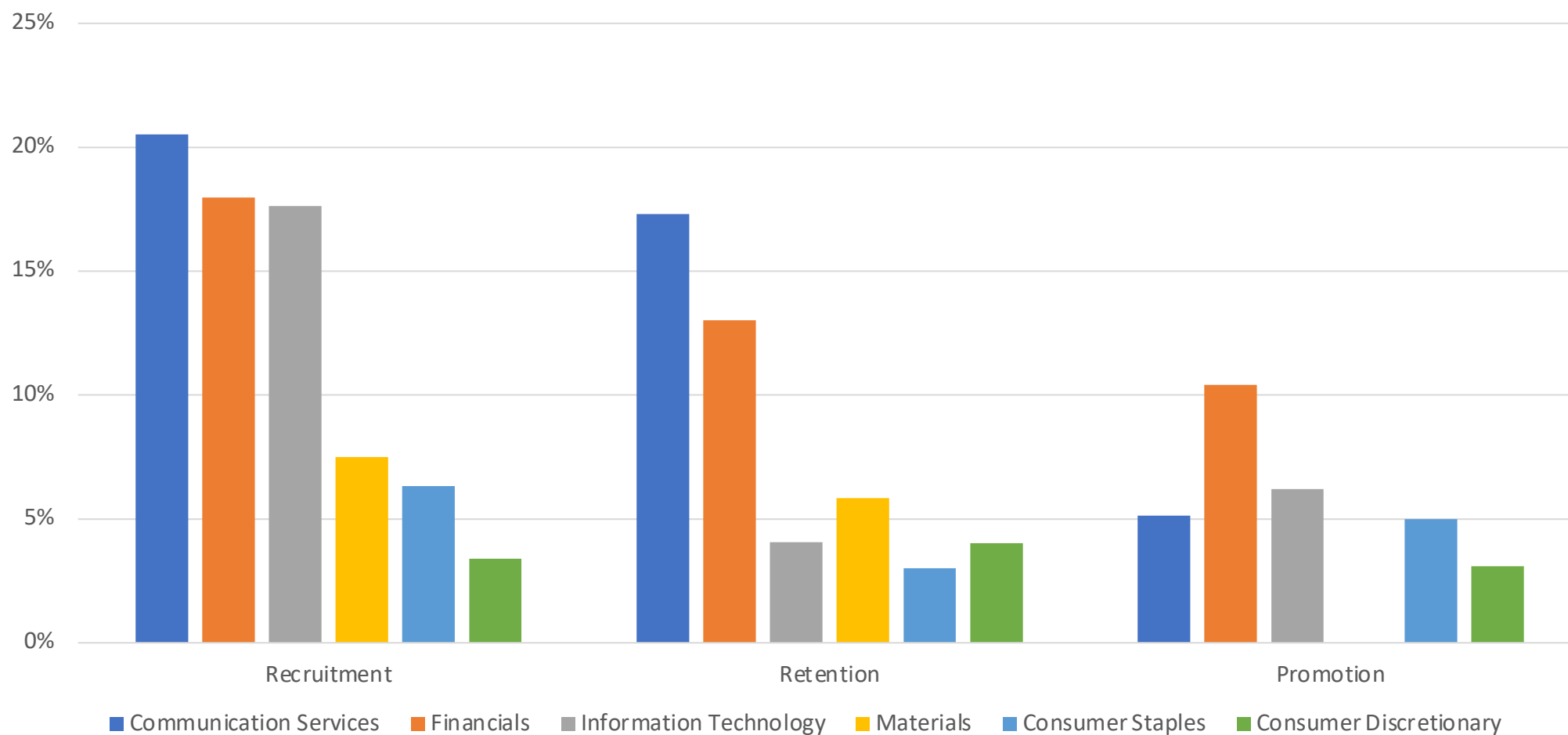


Across all sectors, reporting on inclusion factors is poor

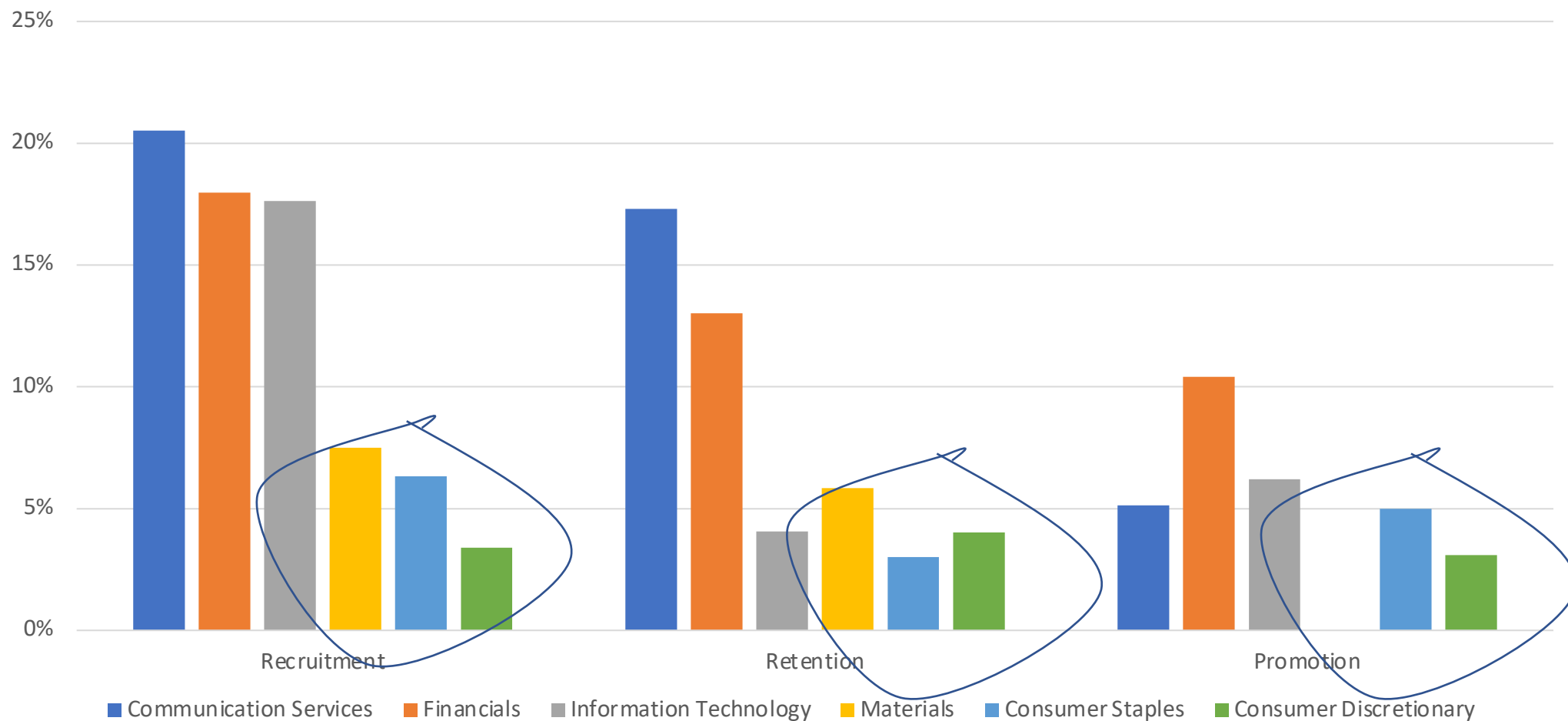




Recruitment Efforts Lead, but Limited Data across all Inclusion Data Sets

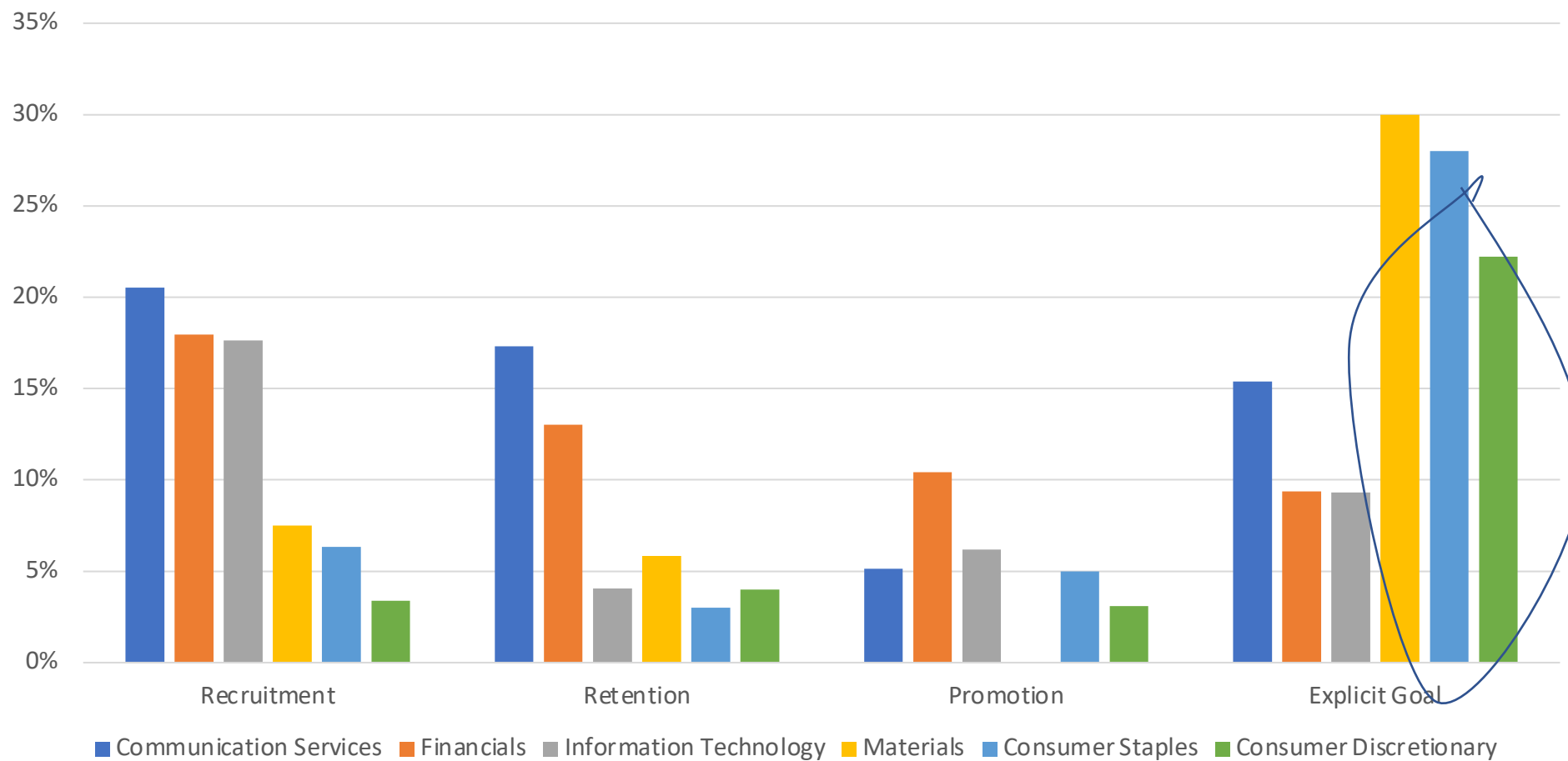


Recruitment Efforts Lead in Disclosure, but Little Data on Retention

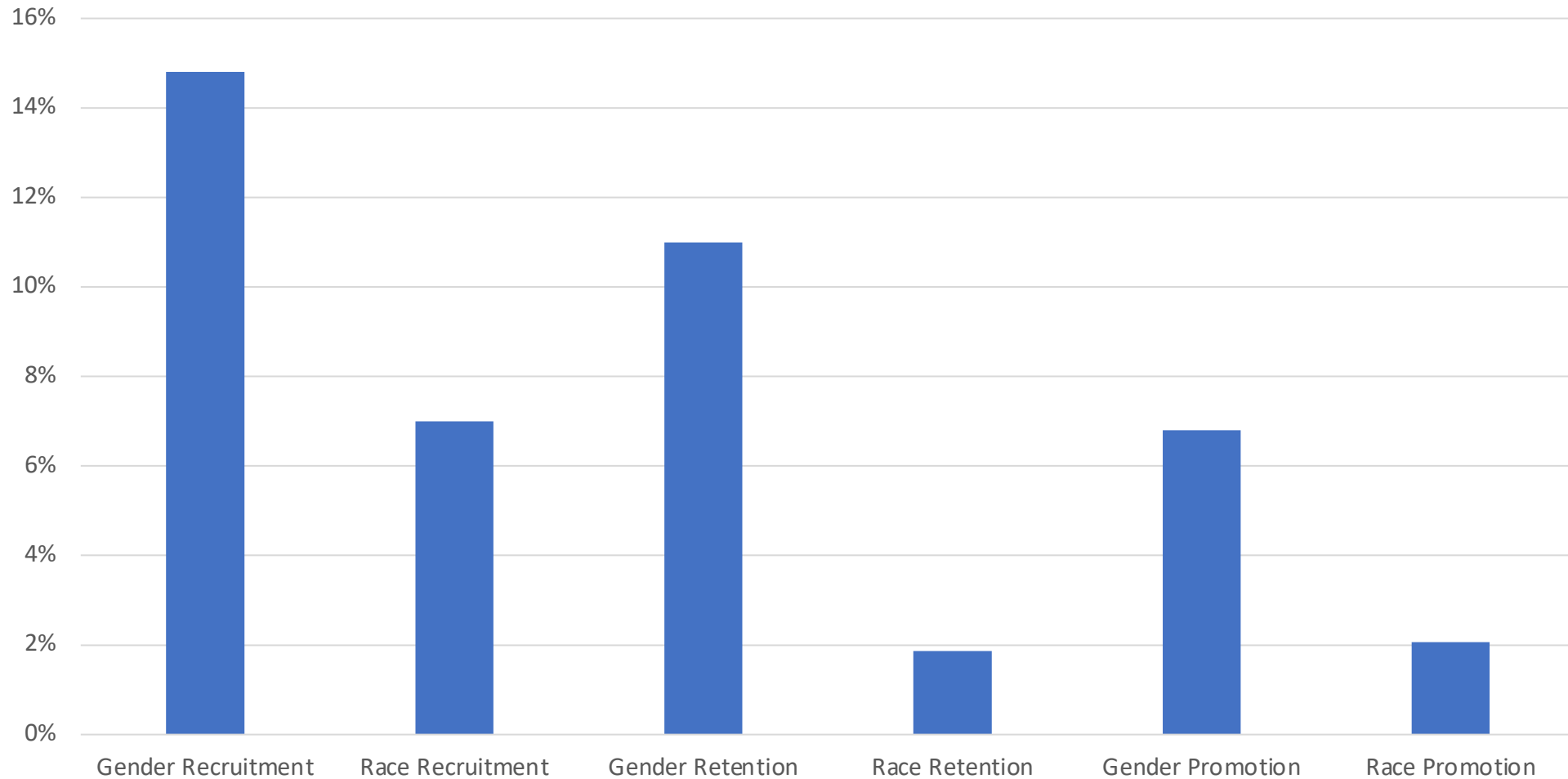




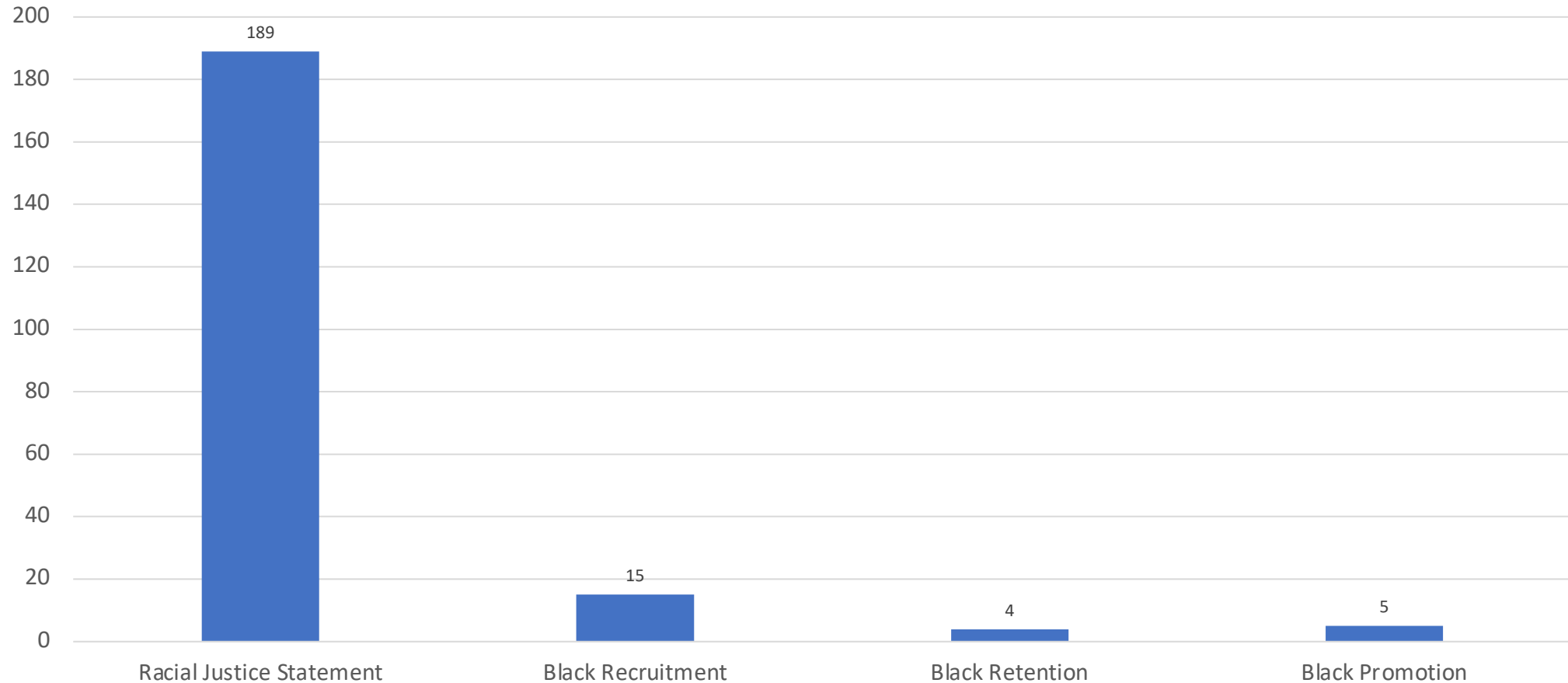
The least transparent sectors have made the most promises



Concerning Gap Between Gender and Race Disclosure












Serious Gap Between Racial Justice Commitments and Data on the Inclusion of Black Employees





Top 10 Leaders

Diversity, Equity, and Inclusion Disclosure Top 10	SCORE	Market Cap	Sector	State	Region	# Employees
	68%	133B-2T	Information Tech	California	West	101,000-300,000
	63%	133B-2T	Communication	California	West	101,000-300,000
BLACKROCK	60%	63B-132.9B	Financials	New York	Northeast	10,500-23,900
	58%	133B-2T	Consumer Stapl	Arkansas	South	101,000-300,000
	50%	63B-132.9B	Financials	New York	Northeast	24,000-49,900
	48%	38.6B-62.9B	Information Tech	California	West	0-10,400
	48%	28.6B-38.5B	Communication	California	West	0-10,400
	45%	133B-2T	Information Tech	California	West	101,000-300,000
	45%	133B-2T	Information Tech	California	West	10,500-23,900
	43%	133B-2T	Information Tech	California	West	24,000-49,900

Selected Laggards – 41 companies score 0%

Diversity, Equity, and Inclusion Disclosure Bottom 10	SCORE	Market Cap	Sector	State	Region	# Employees
 Abbott	0%	133B-2T	Health Care	Illinois	Midwest	24,000-49,900
 AMERICAN EXPRESS	0%	63B-132.9B	Financials	New York	Northeast	50,000-100,000
 BERKSHIRE HATHAWAY	0%	133B-2T	Financials	Nebraska	Midwest	101,000-300,000
 COLGATE-PALMOLIVE	0%	63B-132.9B	Consumer Stapl	New York	Northeast	24,000-49,900
 DOLLAR TREE	0%	0-28.5B	Consumer Discr	Virginia	South	101,000-300,000
 Hormel	0%	0-28.5B	Consumer Stapl	Minnesota	Midwest	10,500-23,900
 L3HARRIS™	0%	28.6B-38.5B	Industrials	Florida	South	50,000-100,000
 MONSTER ENERGY	0%	38.6B-62.9B	Consumer Stapl	California	West	0-10,400
 Prudential	0%	0-28.5B	Financials	New Jerse	Northeast	50,000-100,000
 Sysco	0%	28.6B-38.5B	Consumer Stapl	Texas	South	50,000-100,000



The Research Team



Jaylen Spann



R. Xavier Snaer-Williams



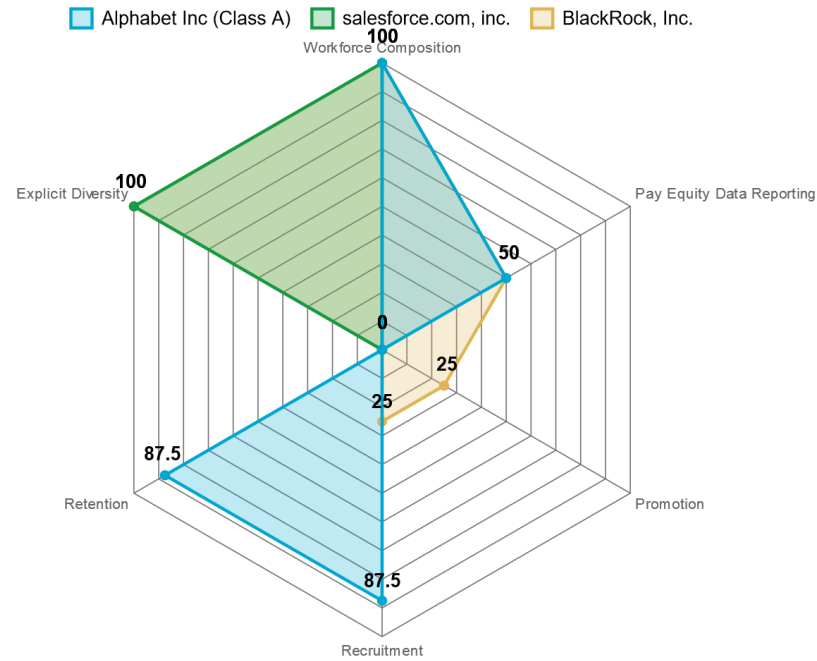
Melanie DeCastro

Data Visualization Tool Demo

WORKPLACE EQUITY DATA VISUALIZATION

[← BACK TO WORKPLACE EQUITY](#)

workforce composition, pay equity data reporting, promotion, recr...





Racial Justice Initiative

Olivia Knight

Racial Justice Initiative Coordinator

As You Sow





The Racial Justice Initiative - Intro

- George Floyd's murder shocked America, prompting corporations to make public statements of support for the Black community
- Systemic racism is **NOT** new — yet it is now a trending topic in corporate America
- RJI and Scorecards are based on the belief that it is critical to translate the recent protests and outrage into tangible and lasting change



A Material Risk

- Racial Justice is of **material interest** to Companies
- Corporations risk revenue loss and reduced brand value by not addressing systemic racism due to:
 - Growing public awareness of the role that corporations play in perpetuating systemic racism
 - Increasing importance of corporate ESG performance to investors
 - Changing demographics of consumers and the workforce: by 2045, People of Color will be the majority of the population in the United States



Racial Justice Pillars & KPIs

Racial Justice Statement

Corporate public posting
Statement posting location

Corporate Responsibility

CEO takes responsibility
Black employee input

Key Terms

Names victims
States Black Lives Matter
Call for criminal justice reform
Names systemic racism
Identifies as antiracist

DEI Department

Internal DEI dept.
DEI leader title

DEI Data

DEI cross org targets
Recruitment/hiring/retention data
EEO-1 data disclosed
Supply Chain Diversification

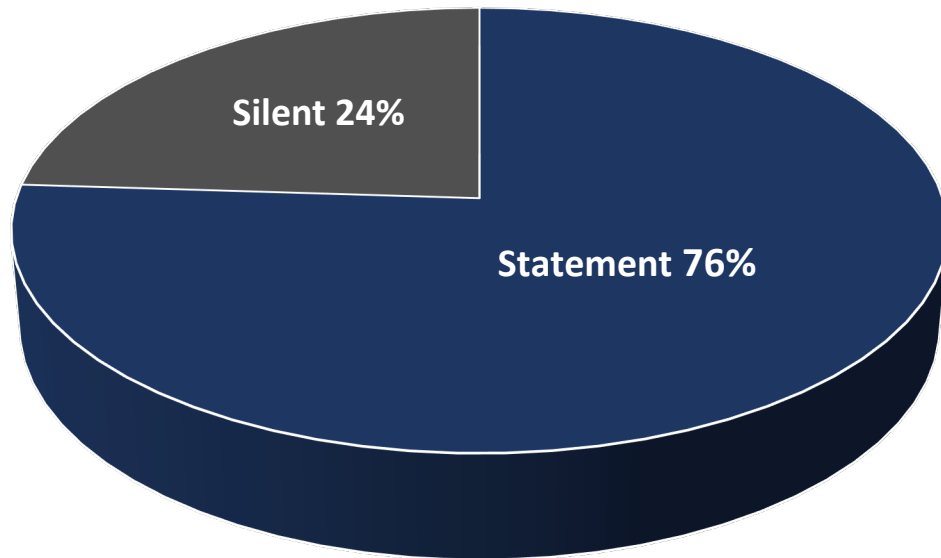
External Actions

Join #stophateforprofit
Racial justice donations
Community engagement

Breakdown of the S&P250 Statements

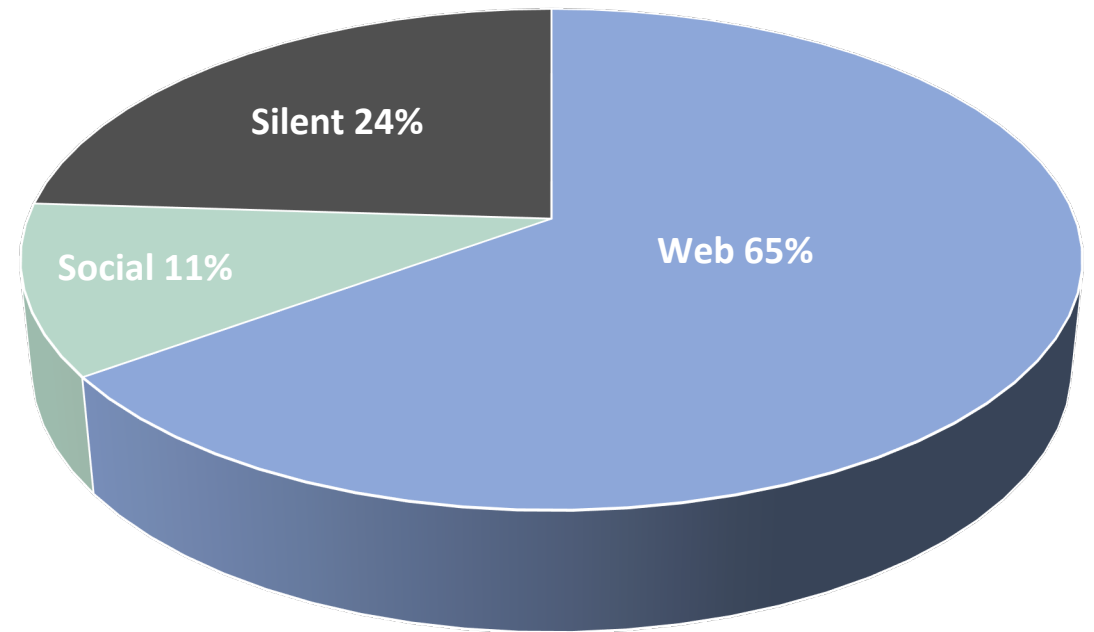
Statement vs. Silent

■ statement ■ silent



Racial Justice Statement

■ web ■ social ■ silent

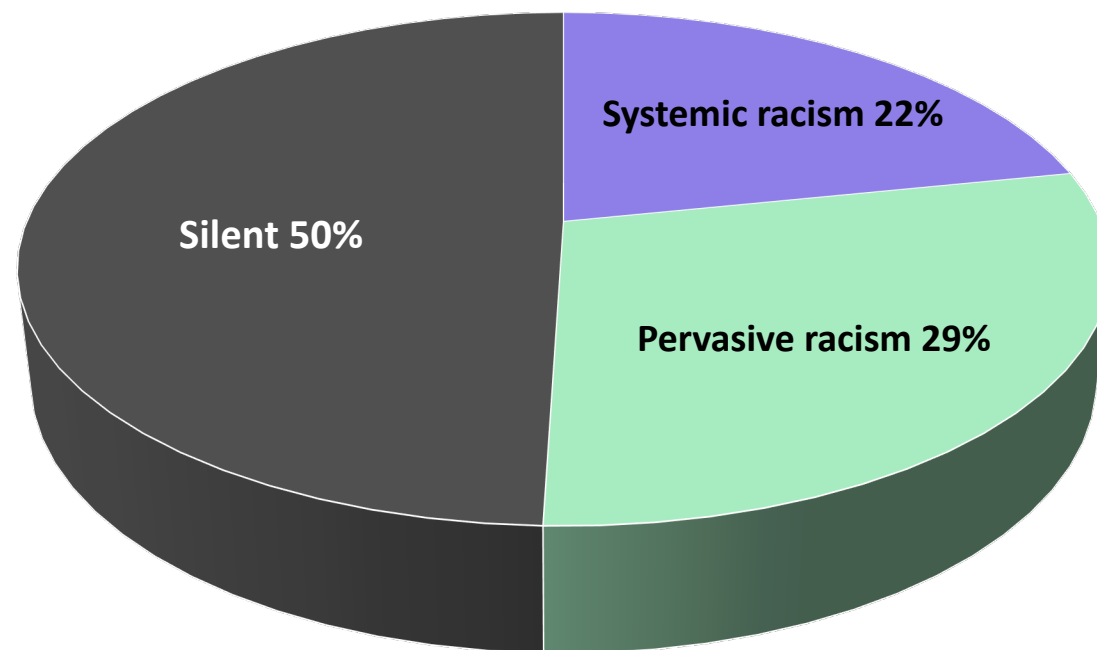




Usage of Key Term “Systemic Racism” in Corporate Statements

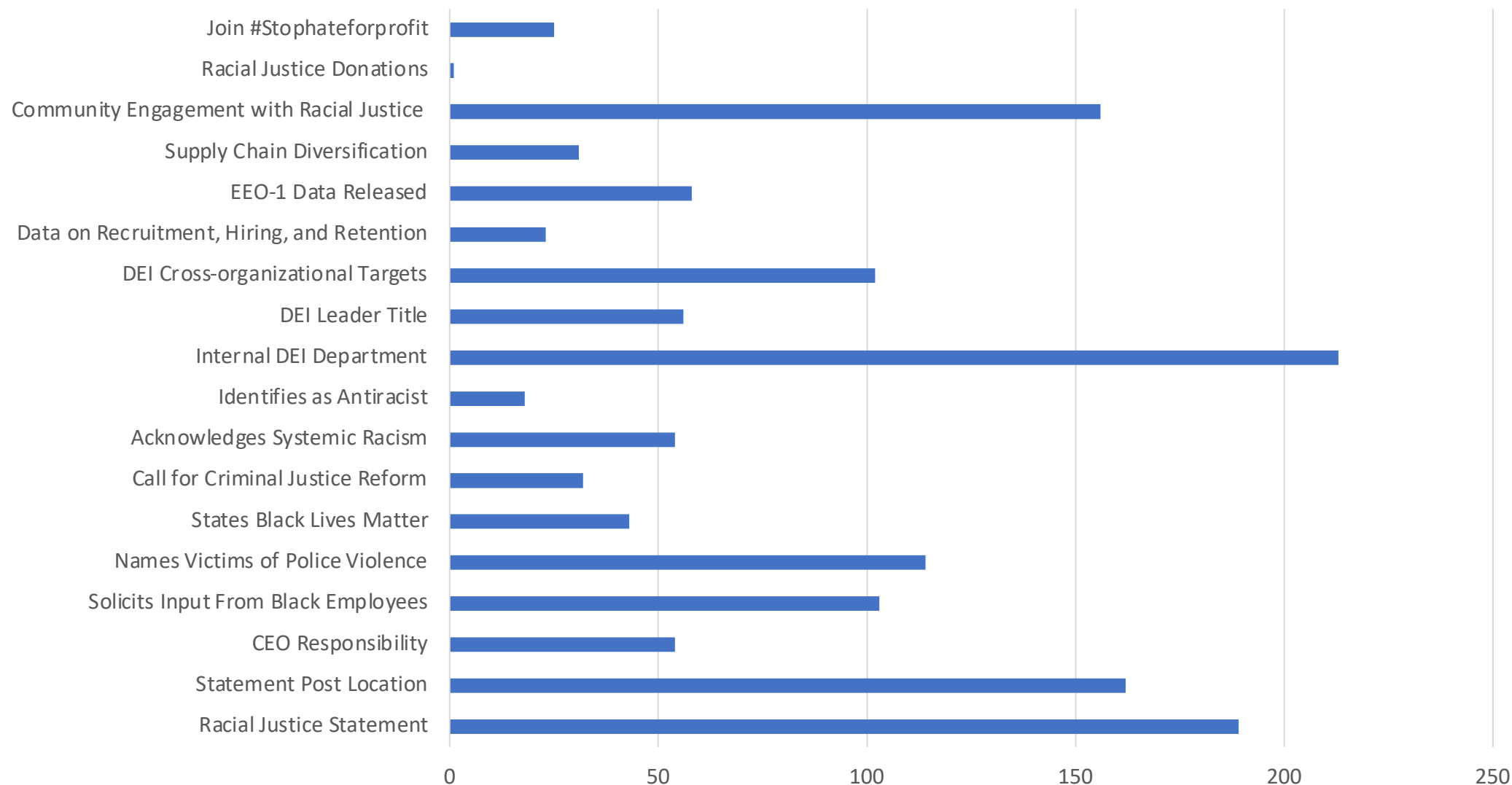
Naming Racism

■ Systemic racism ■ Pervasive racism ■ Silent

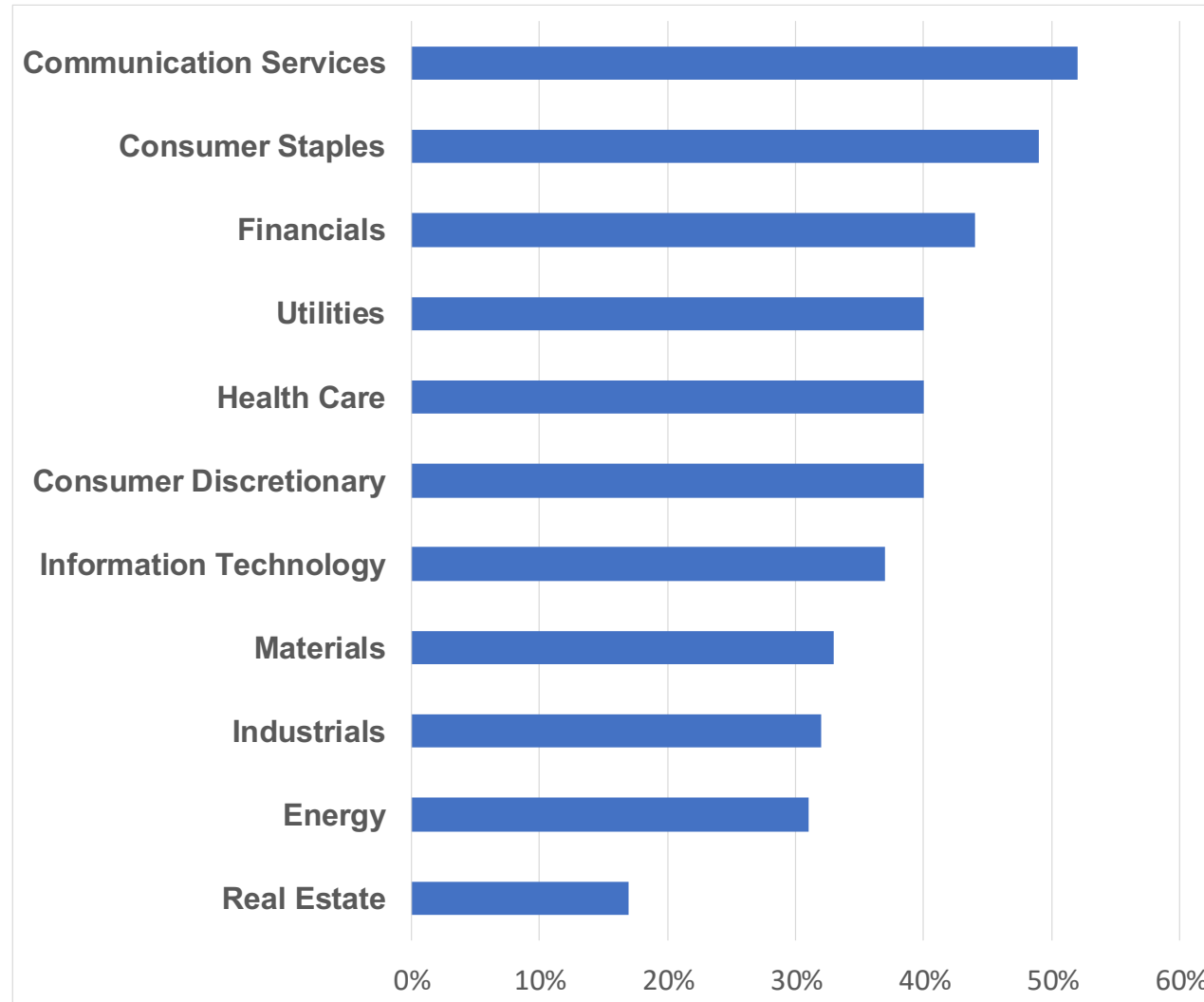




Breakdown of 100% KPI Rankings



Average Total Score by Sector





Top 10 Leaders

Racial Justice Top 10	SCORE	Market Cap	Sector	State	Region	# Employees
	75%	133B-2T	Consumer Staples	Georgia	South	50,000-100,000
	75%	28.6B-38.5B	Materials	Michigan	Midwest	50,000-100,000
	73%	133B-2T	Information Technology	Washington	West	101,000-300,000
	73%	133B-2T	Consumer Staples	New York	Northeast	101,000-300,000
	72%	133B-2T	Communication Services	California	West	101,000-300,000
BLACKROCK	71%	63B-132.9B	Financials	New York	Northeast	10,500-23,900
	70%	133B-2T	Health Care	New York	Northeast	24,000-49,900
	68%	63B-132.9B	Consumer Discretionary	Minnesota	Midwest	101,000-300,000
	68%	38.6B-62.9B	Financials	Minnesota	Midwest	50,000-100,000
	67%	28.6B-38.5B	Consumer Discretionary	California	West	50,000-100,000

Bottom 10 Laggards

Racial Justice Bottom 10	SCORE	Market Cap	Sector	State	Region	# Employees
 D·R·HORTON <i>America's Builder</i>	0%	0-28.5B	Consumer Discretionary	Texas	South	0-10,400
 DIGITAL REALTY	0%	38.6B-62.9B	Real Estate	California	West	0-10,400
 ExxonMobil	0%	133B-2T	Energy	Texas	South	50,000-100,000
 O'Reilly AUTO PARTS	0%	28.6B-38.5B	Consumer Discretionary	Missouri	Midwest	50,000-100,000
 Public Storage	0%	38.6B-62.9B	Real Estate	California	West	0-10,400
 ResMed	0%	0-28.5B	Health Care	California	West	0-10,400
 ROPER	0%	38.6B-62.9B	Industrials	Florida	South	10,500-23,900
 SKYWORKS	0%	0-28.5B	Information Technology	Massachusetts	Northeast	0-10400
 TRANS DIGM GROUP INC.	0%	0-28.5B	Industrials	Ohio	Midwest	10,500-23900
 VERISIGN	0%	0-28.5B	Information Technology	Virginia	South	0-10,400



Moving Forward

- By making public statements of support acknowledging existing racial inequities, corporations are signaling a willingness to change
- Despite this progress, our scorecards show a lack of disclosure on DEI policies which is essential to measure progress
- *As You Sow* engages in a collaborative effort with companies to identify opportunities for improvement and tracks progress



RJI Team - Researchers



Tendai Ball



Kavya Chaturvedi



Titus VanHook



Danielle Drislane



Jordan Armstrong



Julian Matthews



Upasana Dilip



RJI Team - Advisory Committee



Dr. MK Dorsey



Patience Marime-Ball



Renee Morgan



Sam Schrager

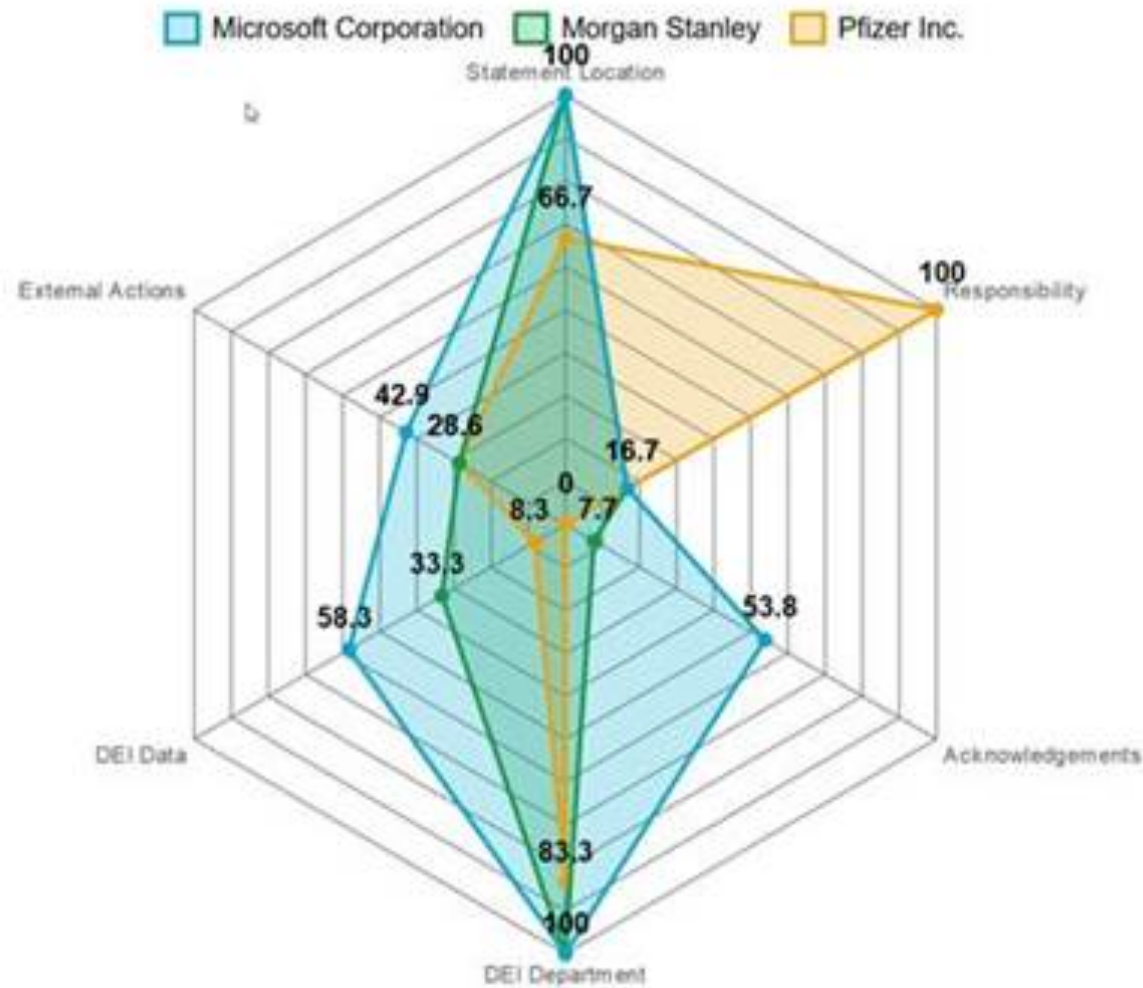


Lennox Yearwood Jr.



Yusuf George

Data Visualization Tool Demo



Women of the World Endowment

Workplace Diversity and
Racial Justice Webinar

November 18, 2020



Women of the World Endowment

WoWE invests at the **intersection of gender** and some of today's **most pressing social and environmental issues**.

Our aim is to build the largest institutional-quality endowment (\$5 billion) focused on women and girls with a portfolio that is **100% dedicated to investing with a gender lens**, and where the returns are deployed as **grant capital to systems orchestrators** supporting women and girls.

- The endowment's asset structure reflects a balance of its need for liquidity, long-term growth, and risk tolerance

Public Equities

Evaluated based on a **gender equality matrix**, which rates companies on the core ESG principles

Private Investments

Focused on funds with impact indicators across any of the **5 GLI dimensions**

Fixed Income

Focused on **company's corporate behavior** and aims to avoid investments characterized as "pinkwashing"

GLI dimensions



Improving women's lives

Value chains, consumers, etc.



Women in leadership

Women in C-suite, entrepreneurship, on boards etc.



Women in Finance

Women fund managers, on investment committees etc.



Companies treating female employees well

Workforce participation, pay equity, benefits etc.



Products & services improving women's lives

Intersectionality with other sustainability themes



Gender Equity



Fossil Fuels



Deforestation



Military Weapons



Civilian Firearms



Prison Industrial Complex



Tobacco

Data leads to Real Change

- **An analysis from KPMG** showed a worldwide corporate cost savings of **\$19 billion per year** if parental leave was globally mandated ⁽¹⁾
 - Vodafone instituted a global minimum maternity pay of 16 weeks
 - Google increased paid maternity leave from 12 weeks to 18 weeks – and saw a **50% drop in the rate at which mothers left the firm**
 - Both companies saw immense **cost savings** from a decrease in new hires

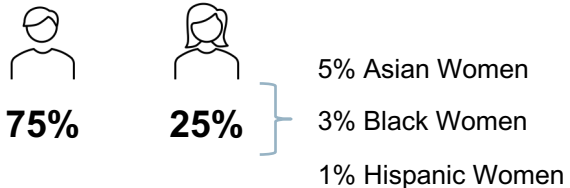
- **Diverse teams pay off**
 - EBIT margins of organizations with diverse management teams are **9% higher** than those of organizations with below-average diversity ⁽¹⁾
 - Companies with above-average diversity produced a greater proportion of revenue from innovation (45% of total) than companies with below average diversity (26%). This 19% innovation-related advantage translated into overall better financial performance. ⁽²⁾

(1) [Gender Lens Investing in Public Markets: It's More Than Women at the Top](#)

(2) [Diversity Confirmed To Boost Innovation And Financial Results, Forbes, 2020](#)

State of Women and Minorities in the Tech Industry

Computing Jobs



38% of women who majored in computer sciences are working in the field compared to 53% of men

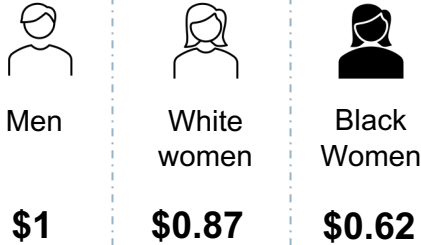
Women in Engineering Jobs



Tech Industry Leadership Representation

Women	24%
African Americans	2% – 5.3%
Hispanics	3.1% – 5.3%
Asians	10.6% – 19.5%

Tech Industry Salary Gap



Example: Apple

Overall representation

Men	67%	Women	33%	White	50%	23%	Asian
						14%	Hispanic
						9%	Black
						3%	Multiracial
						1%	Native American, Native Hawaiian, Pacific Islander

Leadership representation

Men	71%	Women	29%	White	50%	26%	Asian
						7%	Hispanic
						3%	Black
						1%	Multiracial
						0%	Native American, Native Hawaiian, Pacific Islander

Women and Men in STEM often at odds over workplace equity, Pew Research Center, January 2018
Women in tech statistics: The hard truths of an uphill battle, CIO, January 2020
Women in Tech: The Facts, National Center for Women & Information Technology, 2016
Inclusion & Diversity, Apple, 2018

Top rating companies for diversity, equity and inclusion (DEI) and WoWE's portfolio holdings

- **Alphabet** is the only company among the S&P 250 that scored in the top ten for DEI and racial justice combined
It appears in **3 funds** held by WoWE with an average position size of **3.12%**
- Five information technology companies **Intel, Autodesk, Apple, Oracle, and Salesforce** are in the top ten for DEI
Apple: Appears in **3 funds** held by WoWE with an average position size of **5.61%**
- In the financial sector **Blackrock** and **Goldman Sachs** were in the top ten on DEI compared to **American Express** and **Prudential** that both scored a zero and are in the bottom ten
Blackrock: Appears in 1 fund held by WoWE with a position size of **2%**
Prudential: Appears in 1 fund held by WoWE with a position size of **1.61%**.

Since inception, WoWE's portfolio has returned 18.4% - 5.5% over its benchmark

- Each fund WoWE invests in must score at least a “B” rating across all sustainably themes as defined by As You Sow
- We are demonstrating that allocating assets with a gender lens investing screen yields **risk-adjusted returns** comparable to other market strategies.

Current Portfolio	Performance as of 9/30/20		
	3 Yr	1 Yr	Since WoWE Investment
Saturna Sustainable Equity Fund (SEEFX)	43.89%	22.31%	24.61%
Trillium ESG Global Equity Fund (PORTX)	21.99	13.92	22.05
Mirova Global Sustainable Equity Fund (ESGYX)	41.46	24.55	22.62
Jennison Global Opportunities Fund (PRJZX)*	98.86	64.33	7.52
Morgan Stanley Global Opportunities Fund (MGGPX)*	84.33	53.35	10.89



Audience Q & A

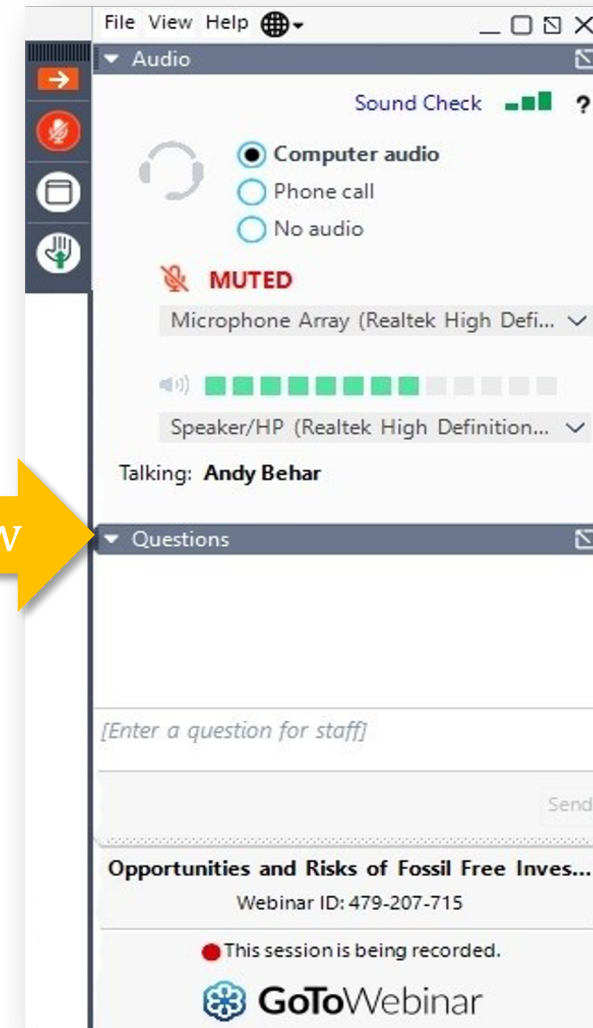
See the report details and data visualizations at:

<https://asyousow.org/our-work/social-justice/racial-justice>

<https://asyousow.org/our-work/social-justice/workplace-equity>

Use the Q&A window to send us your questions

Q&A Window



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