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**INVEST IN  
WOMEN**

# **The Gender Pay Gap: Why Should Investors And Clients Care?**

**AUGUST 19**

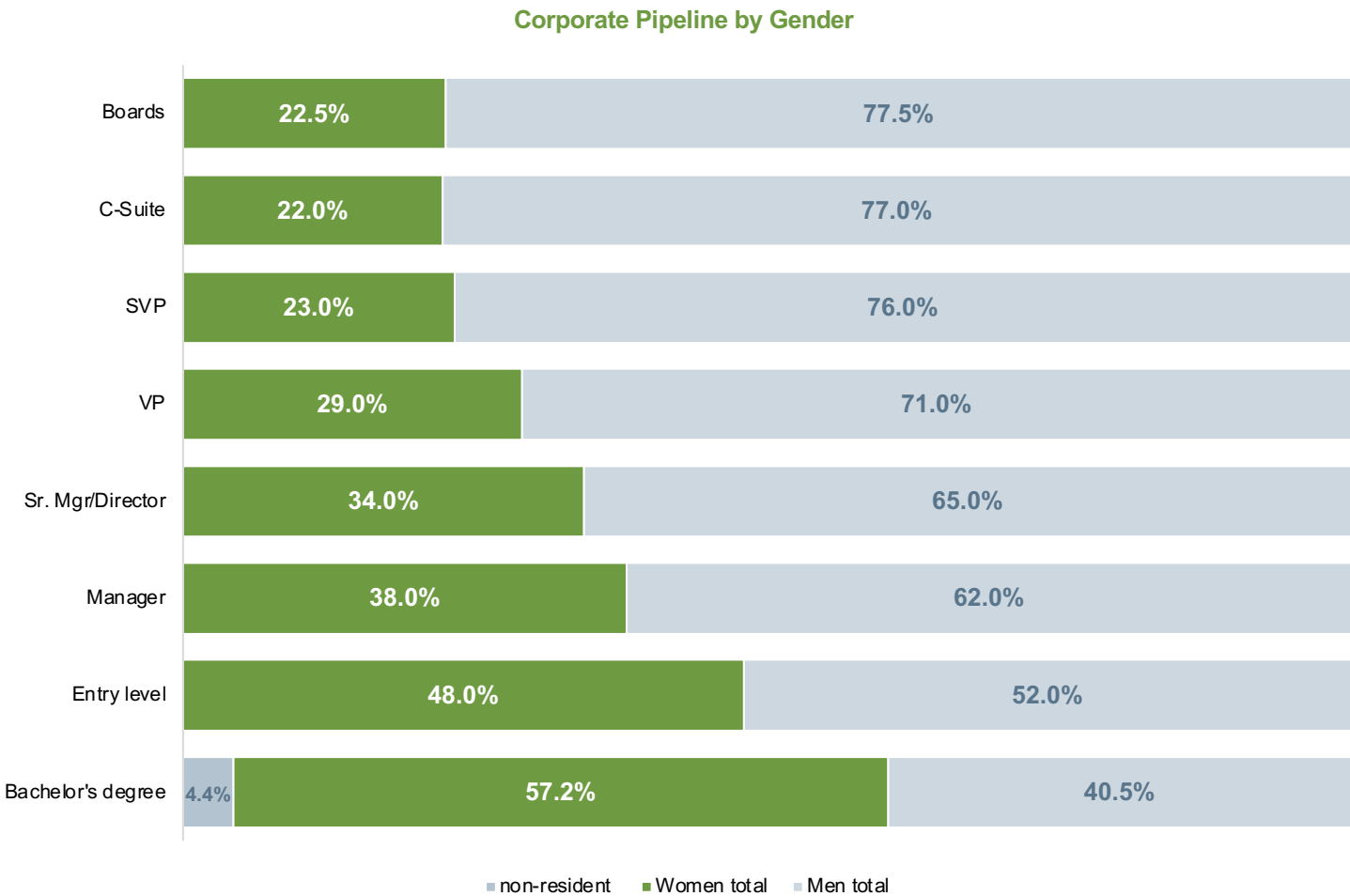
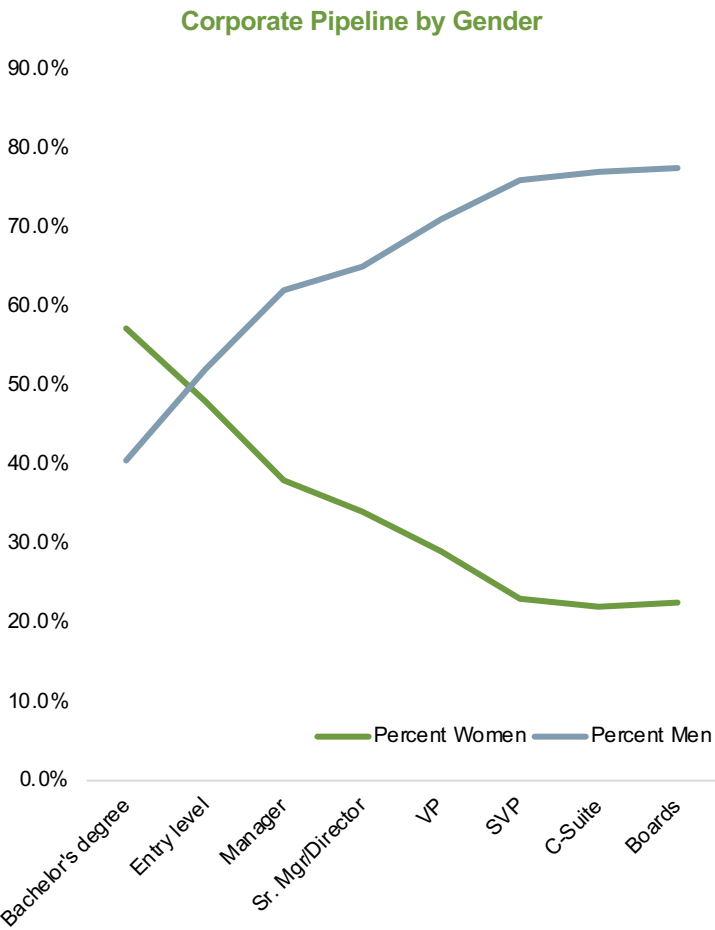
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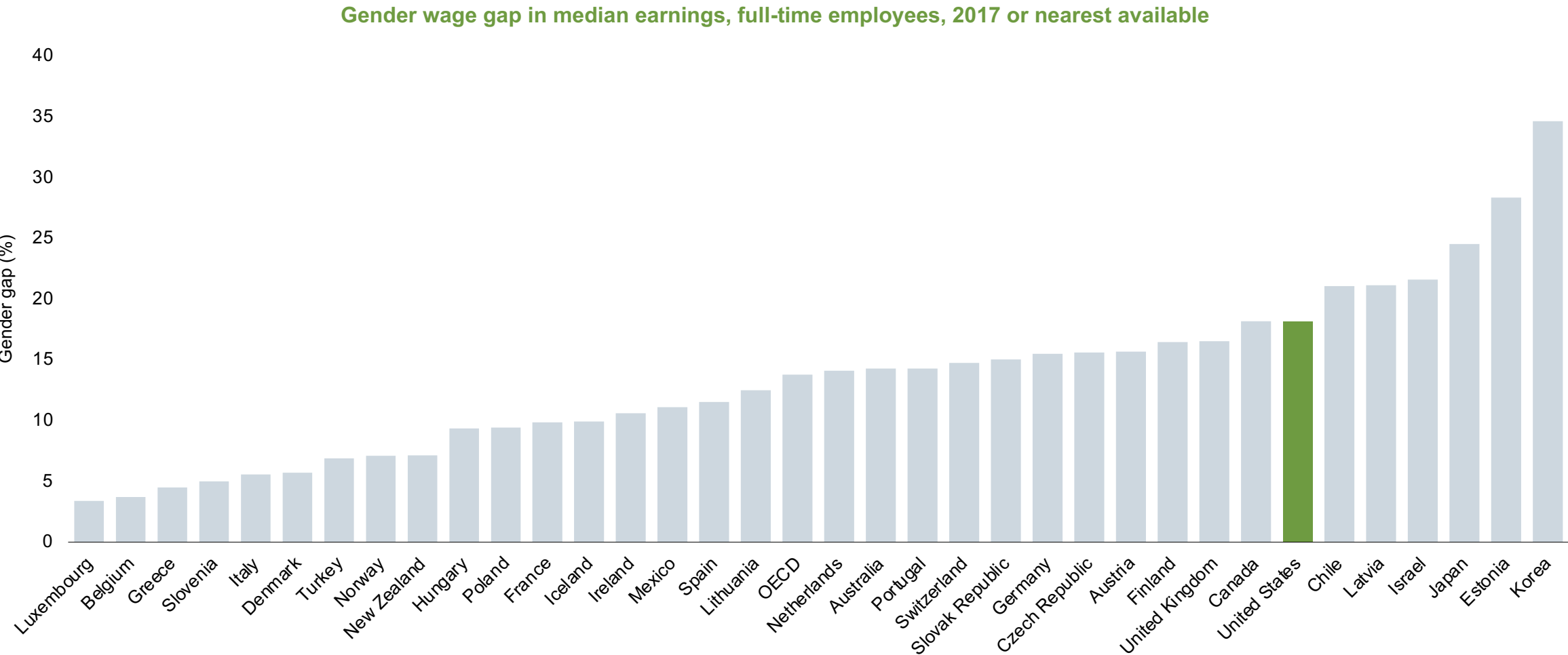
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# Women remain significantly underrepresented at all levels in corporations



Sources: Bachelor's degrees - U.S. 2015-16, National Center for Education Statistics: [https://nces.ed.gov/programs/digest/d17/tables/dt17\\_322.20.asp](https://nces.ed.gov/programs/digest/d17/tables/dt17_322.20.asp); Entry level through C-Suite - McKinsey-LeanIn.org, Women in the Workplace 2018: [https://womenintheworkplace.com/Women\\_in\\_the\\_Workplace\\_2018\\_print.pdf](https://womenintheworkplace.com/Women_in_the_Workplace_2018_print.pdf); Boards-Missing Pieces Report-The 2018 Board Diversity Census of Women and Minorities on Fortune 500 Boards: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/center-for-board-effectiveness/us-cbe-missing-pieces-report-2018-board-diversity-census.pdf>.

# U.S. women have a significant wealth gap compared to men



Source: OECD data as of 2017 or latest available; the data cover OECD member countries, as well as partner economies including Brazil, China, India, Indonesia, and South Africa. The gender wage gap is defined as the difference between the median earnings of men and of women as a proportion of the median earnings of men. <http://www.oecd.org/gender/data/>

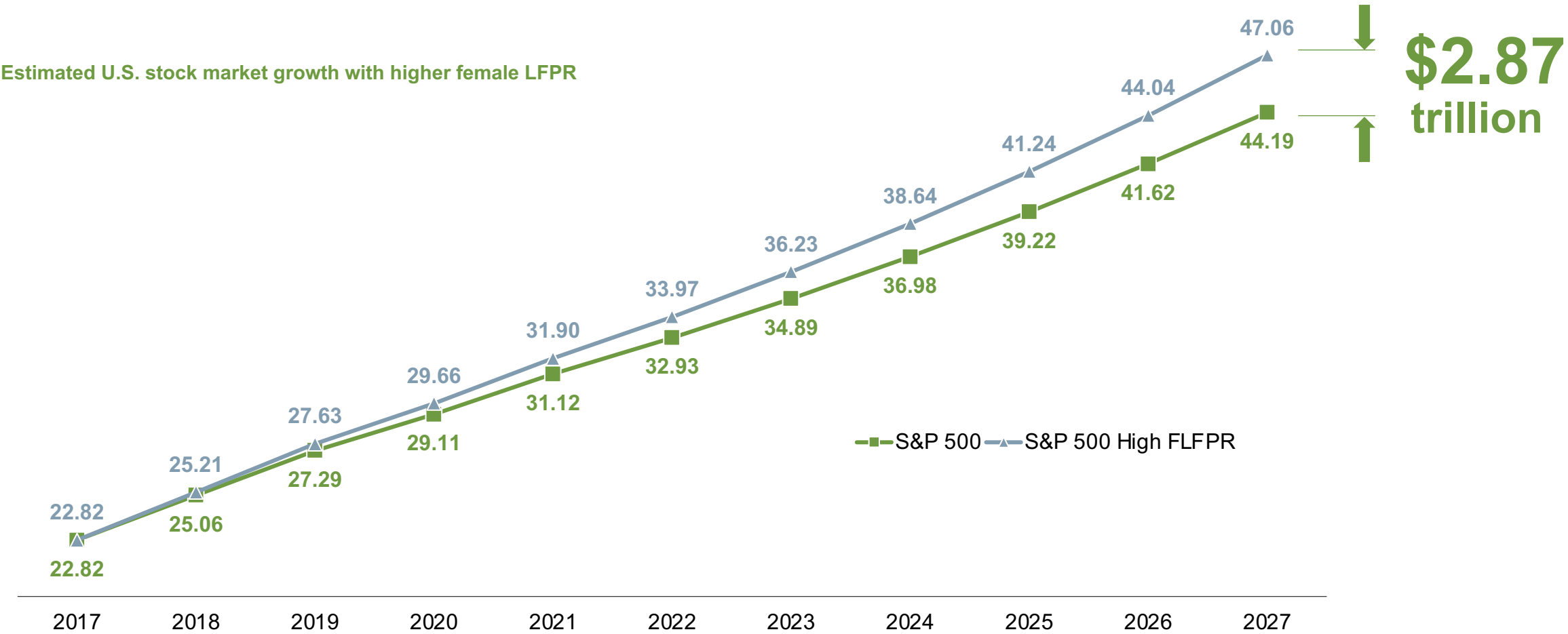
## Companies under pressure to take diversity seriously, but...

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- **Difference** in average earnings between men and women remains **large**
- Women experience a workplace **skewed** in favor of men
- Women remain **underrepresented** at every level in corporate America
- Women of color, particularly black women, face **even greater challenges**
- Women earn **more college degrees** and men still earn more money

More women in the labor force can impact the market

If female labor force participation rates rose to the level of other advanced economies, it could add almost \$3 trillion to U.S. stock market value by 2027.



Source: S&P Global, "Adding More Women To The U.S. Workforce Could Send Global Stock Markets Soaring", Jodie Gunzberg, Beth Ann Bovino and Jason Gold, June, 2018; <https://www.spglobal.com/en/research-insights/featured/adding-more-women-to-the-u-s-workforce-could-send-global-stock-markets-soaring>



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# INVEST IN WOMEN

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## The changing landscape of women's wealth

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**\$14T**

Wealth that is controlled by women in the U.S.<sup>1</sup>

**67%**

Female clients who feel misunderstood by their advisor<sup>2</sup>

**64%**

Women who agree on importance of ESG to investment decision-making<sup>3</sup>

**\$869B**

Institutional assets in which gender lens investing is factored<sup>4</sup>

# The benefits of gender diversity

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## Risks

- Negative impact on performance, risk measures and valuations
- Loss of productivity
- Loss of talent
- Complaints and legal actions

## Operational Benefits

- Talent attraction
- Employee engagement
- Innovation
- EBIT margins

## Management Benefits

- Total return to shareholders
- Firm profitability
- Long-term value creation
- Can signal to investors that a firm is well-run

## Board Benefits

- ROE
- Lower leverage
- Higher price/book ratios
- Better average growth





Be Part of the Solution

Harness the power  
of women and  
investors to drive  
positive change





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Thank you for attending.

To view a recording of this webcast please visit: [www.fa-mag.com/GenderPayAug19](http://www.fa-mag.com/GenderPayAug19)

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