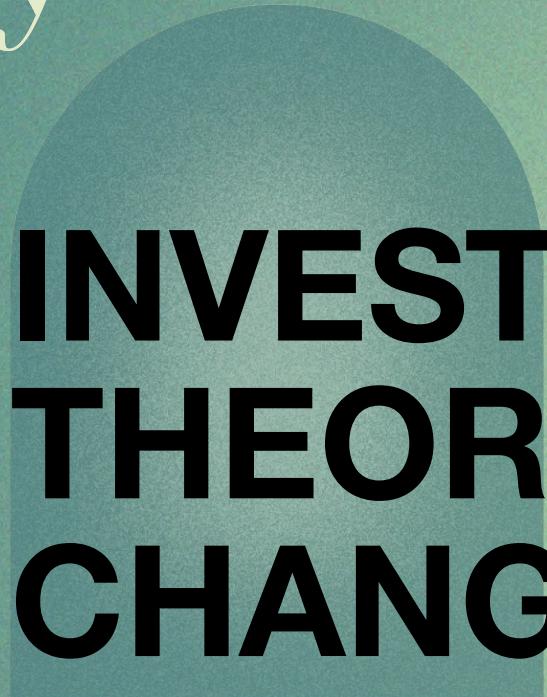


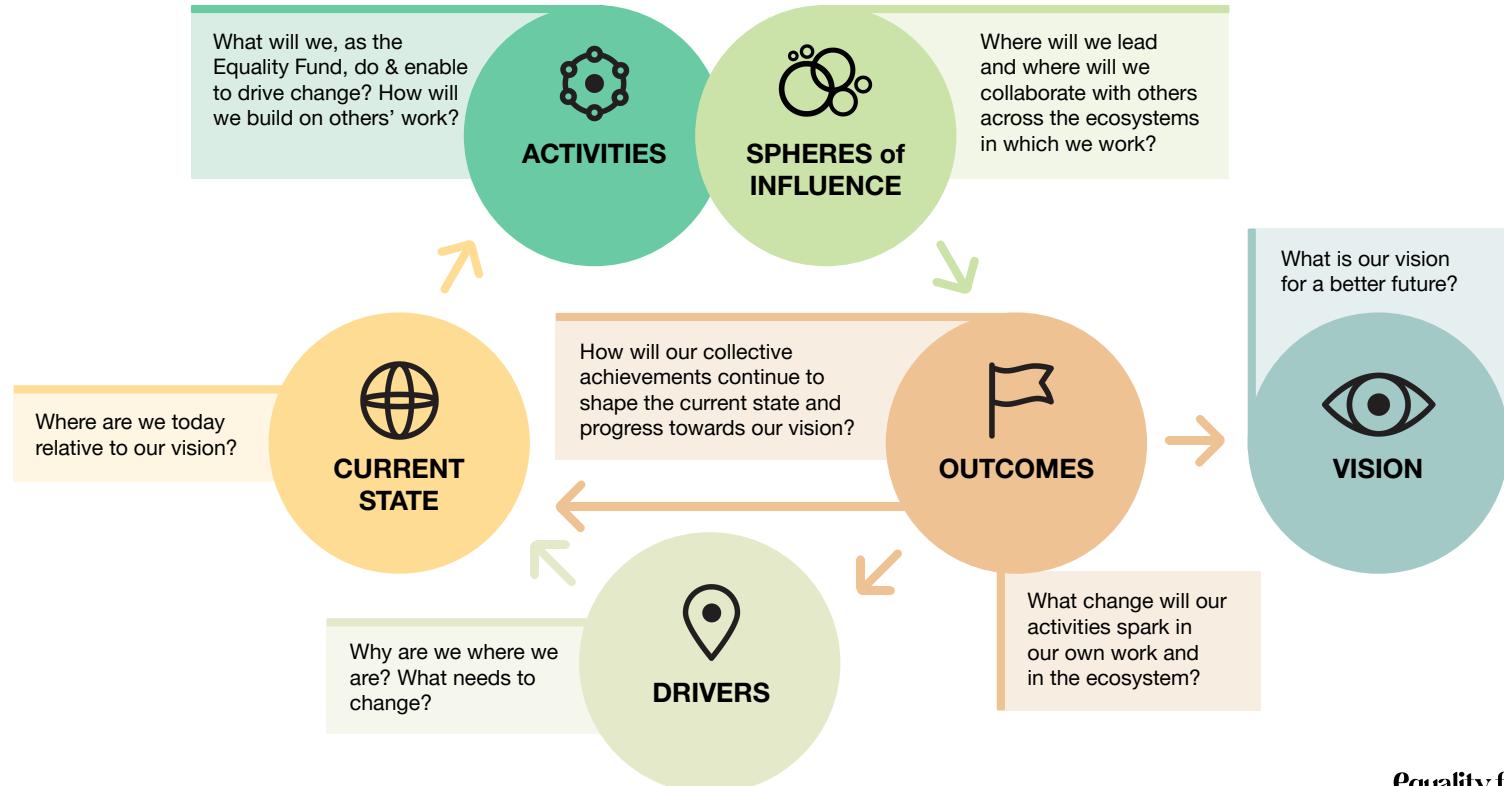
Equality  
fund



**INVESTMENT  
THEORY OF  
CHANGE**

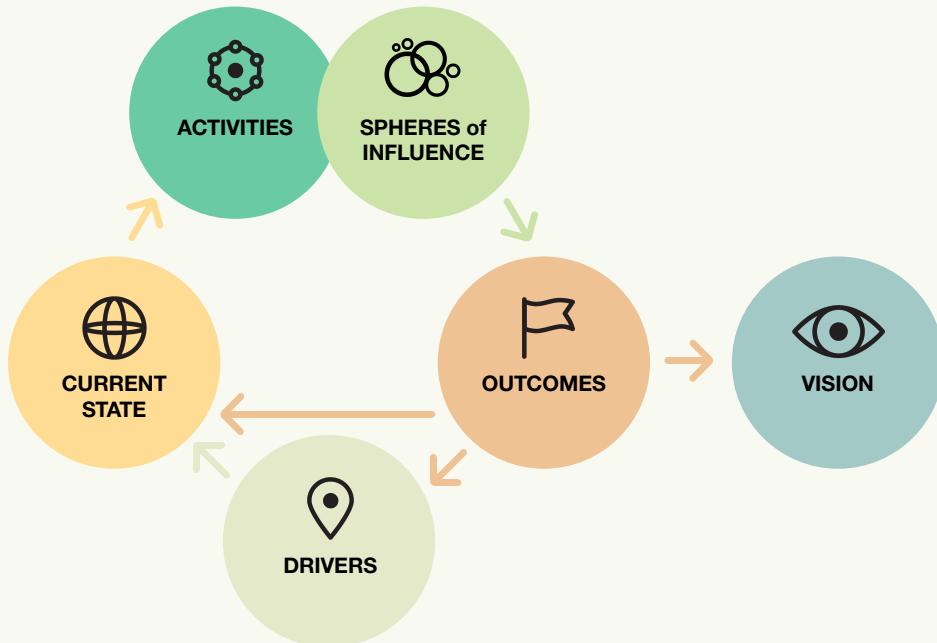
# INVESTMENT THEORY OF CHANGE

Tells the story of change the Equality Fund Investment Program is seeking through a shared journey with partners & peers



# INVESTMENT THEORY OF CHANGE (CON'T)

Tells the story of change the Equality Fund Investment Program is seeking through a shared journey with partners & peers



Financial markets have the potential to generate income for feminist movements, but entrenched power dynamics in how capital flows must be addressed to realize this potential.



The Equality Fund's Investment Program envisions a transformation of how, where, by and to whom capital is deployed to finance and advance global feminist change.



To achieve this Vision, EF will work to solidify the recognition of social and financial benefits of investing to advance global feminist change; and demonstrate the viability and impact of a multi-asset portfolio wholly invested in line with GLI principles. EF will also partner with peers and others to build and showcase products, mobilize capital, and ultimately transform power dynamics and increase collaboration and synergies between investors and investees, feminist movements, feminist economists, and policy influencers.



These outcomes will be the result of EF's investment activities and field building activities that leverage EF's position at the intersection of the investment ecosystem and feminist movements.



## The Equality Fund's Investment Program Team believes that we can drive the re-balancing of these power dynamics through the following:

- **Global feminist movements** are a powerful driver of the advancement of economic and social justice overall and for women, girls, and non-binary people in particular, as well as the promotion of environmental health. Yet, these movements remain severely underfunded and new funding sources must be explored.
- **Financial markets** have the potential to generate income for feminist movements, but traditional investment approaches, and their power dynamics, must be challenged. Traditional investment approaches have, to date, largely extracted resources from communities and the environment, and as a result, financial markets today often reinforce, rather than challenge, harmful power dynamics.
- **Gender-lens Investing (GLI)** is a growing field of investment that is starting to disrupt the status quo. GLI is presenting opportunities to challenge the assumption that investment choices must be driven exclusively by profits, and to shift how investment decisions are made in ways that address structural inequalities, promote environmental health, and improve people's lives in a holistic manner. Gender-lens investing is a vehicle through which we can generate a sustainable source of funding AND leverage capital as a fundamental driver of gender equality.
- **Driving change from within** is possible. GLI can be further strengthened and over time, it can be a transformative driver of change that more effectively integrates the leadership and perspectives of women, girls and non-binary people into investment decision-making.

**Sources:** Stakeholder consultations; desktop research of relevant Equality Fund, AWID and broader literature on feminist funding



## DRIVERS

The current state is a result of key drivers shaping power dynamics in the investment ecosystem and feminist movements

### 1 Perceptions

e.g., deep-rooted beliefs and evidence around the extractive nature of financial markets or availability of gender-lens investments

### 2 Players

e.g., limited networks between feminist movements and investor ecosystems

### 3 Practices

e.g., misalignment between investing horizons and impact timelines

**Sources:** Stakeholder consultations; desktop research of relevant Equality Fund, AWID and broader literature on feminist funding

Thus, Equality Fund's Investment Program is seeking out a better future where there is...

**A transformation of how, where, by, and to whom capital is deployed to finance and advance global feminist change.**

**Sources:** Stakeholder consultations, IAC meeting discussions



# OUTCOMES

This vision will be attained through mutually reinforcing outcomes that Equality Fund, peers and partners can collectively work towards

## EF will play a leading role to:

1 Solidify the recognition of social and financial benefits of investing to advance global feminist change to a wide range of investors and policy influencers

2 Demonstrate the viability and impact of a 100% GLI portfolio across asset classes (e.g., stocks, bonds)

3 Build and showcase a wide array of products and investment strategies that advance global feminist change

4 Mobilize significant, new capital flows from across the field of investment actors

5 Transform existing investment power dynamics to better include women, girls, non-binary people and others affected by systemic inequalities

6 Increase collaboration and synergies between the work and agendas of investors and investees, feminist movements & economists and policy influencers

Contribution to, and complementary of, outcomes over time



## ACTIVITIES

To achieve these outcomes, Equality Fund's Investment Program will undertake investment and field-building activities



### INVESTMENT ACTIVITIES

Activities tied to the deployment of Equality Fund's own endowment



### FIELD-BUILDING ACTIVITIES

Activities pertaining to shaping the dynamics of the investment and feminist movement ecosystems that Equality Fund is a part of

## Activities have been prioritized based on four criteria

**Near-term priorities are defined by relatively high rankings across the following criteria:**

1. Strength of links to new Investment Program Vision and Key Outcomes
2. Alignment with current EF Investment Program mandate and expertise
3. Responsiveness to feminist stakeholder requests
4. Relative white space in the landscape



# INVESTMENT ACTIVITIES

Investment activities will seek to focus on exploring mission-aligned investments, strengthening inv. processes and collecting data

Near-term priorities<sup>1</sup>

Longer-term priorities<sup>1</sup>

Category	Activity	Relevant Outcomes <sup>1</sup>
Communicating new Inv. ToC	1. Publicly share new Investment Theory of Change and aspirations of Equality Fund Investment Program	5, 6
Exploring investment opportunities	2. Source investments in partnership with actors who have relationships with Indigenous communities and historically marginalized populations in the markets in which EF can invest	3, 5
	3. Create new products that address unmet market needs i.e., building on existing experience to date of OCIO creating bespoke Equality Fund products and strategies	3, 4
Refining + strengthening investment processes	4. Develop intersectional investment guidelines, screening strategies and criteria across asset classes; refine and strengthen screening criteria over time e.g., set criteria that meets EF-defined targets of extractive exposure in investment products <sup>2</sup>	2, 5
	5. Explore ways to enshrine greater trust and transparency in investment processes e.g., annual 'open' forums to public and/or feminist movement leaders to share challenges and opportunities	5, 6
Collecting data	6. Establish data collection processes, and monitor/collect impact and financial data on investments to inform future decisions and evidence-driven insights on GLI	1, 2

The above activities have been selected for consideration amongst a longer list of additional activities (e.g., tools for feminist movements to rate companies on gender credentials) raised during consultations.

1. As noted on previous slides, outcomes are mutually reinforcing and interlinked. In this column we highlight only the outcomes that activities have the most direct influence on.

2. Screening of extractive companies is at least initially not wholly exclusionary given the practical constraints of doing so from the outset, but over time, EF will progressively reduce its exposure to extractive companies down to 0%.



## FIELD-BUILDING ACTIVITIES

Field-building activities will seek to leverage the Equality Fund's unique platform at the intersection of different ecosystems to share learnings broadly

Near-term priorities<sup>1</sup>

Longer-term priorities<sup>1</sup>

Category	Activity	Relevant Outcomes <sup>1</sup>
<b>Codifying + disseminating learnings</b>	7. Publicly share insights from EF's work on an ongoing basis (e.g., report financial and impact data on evolution of EF portfolio over time—link to activity #6)	1, 2, 3, 4
	8. Publicly share information on the breadth and depth of available GLI products that are mission-aligned, as well as investors making commitments to move capital in an aligned way	1, 2, 3, 4
<b>Influencing, setting agendas + thought leadership</b>	9. Pioneer thought leadership that redefines investment risk through collaboration with/elevation of research by feminist economists	1, 5, 6
<b>Bridge-building between ecosystem actors</b>	10. Regularly bring together cross-ecosystem actors to advance discussions on the opportunities and tensions of utilizing capital markets to advance global feminist change (e.g., leveraging networks of IAC/IC members and bringing feminist economists into discussions alongside investors and movement leaders)	5, 6

The above activities have been selected for consideration amongst a longer list of additional activities (e.g., tools for feminist movements to rate companies on gender credentials) raised during consultations.

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# THANK-YOU!