

**September 16, 2005  
New York, New York**

**UNIFEM Launch Event:  
“Progress of the World’s Women 2005:  
Women, Work & Poverty”**

**Remarks of Barbara J. Krumsiek  
President & CEO, Calvert Group, Ltd.**

Thank you, Noeleen (Heyzer), for your kind introduction. Congratulations on the publication of ***Progress of the World’s Women 2005***. It is a valuable resource to all who are concerned about the status of women and women in the workplace.

Thank you for your passion and commitment to raising awareness of the challenges working women face worldwide, and for UNIFEM’s support for the Calvert Women’s Principles in particular.

I am very pleased and honored to be on such a distinguished panel which includes the Hon. Mwai Kibaki, President of Kenya. Before I begin my formal remarks, I would like to mention Calvert’s commitment to investing in Africa.

The roots of Calvert’s first social investment fund go back to 1982 when we were the first mutual fund that would not invest in companies doing business in South Africa. And today we devote 1% of the assets of our International Fund to investment opportunities in Africa. Bringing investment capital to the continent is critical to economic development, and we are committed to maintaining an investment presence there through our International Fund.

In 2004, UNIFEM joined Calvert in launching the Calvert Women's Principles, the first global code of corporate conduct focused exclusively on empowering, advancing, and investing in women worldwide. It is important for the corporate sector, along with governments and NGOs, to play their role in the movement for gender equality in the workplace.

Although there are well-established labor and human rights norms and standards, until we worked together with UNIFEM on the Calvert Women's Principles, there had been no systematic and comprehensive effort to apply those standards directly and specifically to corporate conduct relating to women. The Calvert Women's Principles are consistent with the Millennium Declaration, labor and human rights principles and the UN Global Compact.

Calvert reached out to UNIFEM as a partner because of its complementary expertise, credibility and reach. With grassroots contacts in over 100 countries through its 15 regional offices and two country program offices, UNIFEM is internationally recognized for its successful advocacy efforts on behalf of women, putting gender issues and concerns on national, regional and global agendas.

Noeleen and I share the belief that governments, corporations, the donor community and NGOs working together in energetic and innovative ways can contribute significantly to the economic, political and social development of women.

Now, Calvert is not a human rights organization. We are a mutual fund investment firm. So you might ask, what is a U.S. mutual fund firm doing here today?

Because, advancing the status of women in the workplace is good business!

Calvert is based in Bethesda, Maryland. We have \$11 billion in assets under management among 32 mutual funds, investing in U.S. and internationally based companies.

We are best known for our more than two decades of leadership in what is called socially responsible investing. The aim of SRI is to integrate two disciplines that traditionally have been considered separate: economics and ethics. Like a conventional mutual fund, we begin by evaluating the *financial* performance of a company we are considering for investment. But we also take a critical second look and evaluate the company's *social* performance in seven broad categories: *Environment, Workplace practices, Product safety and impact, Community relations, Corporate governance, International operations and human rights, and the Rights of indigenous peoples*

Choosing companies to invest in, that are committed to meeting the challenges of the future with an expanded view of corporate responsibility that includes operating with integrity toward their employees, their community, and the environment is not just socially responsible – as I said earlier, it is good for business.

Calvert has been able to deliver strong investment performance. We are ranked by Barron's as the 14th best performing mutual fund family in the U.S. for the five year period ended December, 2004. There is a growing body of evidence for the 'business case' for corporate social responsibility.

## Why Calvert launched the Principles

Like all of you in this room, we also believe that no nation can achieve its full economic and human potential if half of its population remains marginalized and disempowered, and no corporation can meet the demands of sustainable success while ignoring the untapped potential of women.

At Calvert, we have a strong tradition of supporting the empowerment of women. Our social criteria address a number of issues that impact women's lives and careers. And during the past three years, we have launched a comprehensive initiative to increase opportunities for women and minorities to serve on corporate boards of directors and at senior levels of management.

The progress of women, while steady, has been painfully slow:

- Women around the world put in nearly two thirds of the hours worked and produce half of the world's food but own only 1% of its farmland.
- Of the more than 1 billion people in the developing world who live on less than \$1 dollar a day, 70% are women.

Many think that systemic discrimination has been eradicated in this country and that any differences between men and women are a matter of voluntary choice.

But even today, in 2005, we see continuing disparity between women and men's advancement opportunities and pay, despite increases in the number of women receiving undergraduate and professional degrees.

Regarding the “**wage gap**” for example, women in the United States working full-time earn **76 cents** for every dollar earned by a man (according to the Institute for Women's Policy Research). According to WPR, eradicating the wage gap would contribute significantly to virtually eliminating poverty in our nation.

Aware of continuing inequalities in the United States and around the world, and aware of the potential that women can bring to their economies and countries if barriers are removed, we at Calvert decided to take our commitment to women to a higher level. And so the Calvert Women’s Principles were created.

The real value of the Principles is their practicality. They are designed to address seven key issues relating to women’s empowerment.

1. Disclosure, implementation and monitoring
2. Employment and income
3. Health, safety and violence
4. Civic and community engagement
5. Management and governance
6. Education, training and professional development
7. Business, supply chain, and marketing practices

For each of these seven issues, the Principles offer clear, practical standards that companies can use to set goals and measure their performance and progress on a wide range of gender equality and women's empowerment issues.

At the same time, they provide investors with tools that can be used to assess corporate performance on gender equality. We are using the Principles in our social research analysis process.

## **Progress Report on the Principles**

We continue to make progress on the Principles. What we know is that endorsements without accountability are insufficient to change corporate business practices. Calvert's focus in the last year has been on supporting initiatives to development audit and verification standards for the Principles to monitor companies' progress.

Verite, a social-investment audit and monitoring organization has conducted over 2,000 comprehensive factory evaluations, and training programs in 60 countries. In April of this year, Verite launched a new social accountability initiative to develop benchmarking and tools to help corporations improve their performance on gender equity and assess their progress against the Calvert Women's Principles.

As Calvert and UNIFEM move into the second year of partnership, we look forward to deepening our ties, and finding ways to collaborate on joint projects mobilizing the business community to promote and support women's rights and economic security.

We look forward to opportunities to see a better future for women's economic security and full participation in economies around the world.

Thank you.

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