A 1919 Series: The UN Sustainable Development Goals

Inclusive and Diverse World

At 1919 Investment Counsel, LLC (1919), we believe making a positive societal impact can go hand-in-hand with achieving one’s financial goals. One way we measure the social and environmental impact of the investments we make for our clients is the degree to which they align with both our key impact themes and the UN Sustainable Development Goals (SDGs). In this second installment of our SDG series, we explore working towards better outcomes for gender, racial/ethnic, and economic equality – and highlight companies that are moving the needle towards positive societal change.

(For more information on the UN SDGs and their role in shaping a more sustainable and equitable world, see our introductory SDG piece here.)

Our series examines Clean and Accessible Water; Low-Carbon Future; Inclusive and Diverse World; Responsible Production and Consumption; and Global Community. The 17 UN goals and 1919’s 5 impact themes complement our ESG investment analysis. You can learn more about incorporating ESG factors into an investment approach from our library here.

DIVERSITY AND INCLUSION

1919’s Responsible Investment team seeks to invest in companies with policies and practices that empower full participation in economic life for all people, regardless of gender, race, or other underrepresented characteristics. Inclusion, diversity, and justice are issues that affect all companies, not only in their workplaces, but also in their broader communities. Expanding economic empowerment and supporting inclusive workplaces for all employees have far-reaching benefits for all employers, helping them to create and capture new opportunities and mitigate risks.

A number of the SDGs are associated with better outcomes for gender, racial/ethnic, and economic equality. For example, SDG 1: No Poverty; SDG 5: Gender Equality; SDG 10: Reduced Inequalities; SDG 16: Peace, Justice, and Strong Institutions. In longer form, each of these four SDGs aims to:

1. End poverty in all its forms everywhere.
2. Achieve gender equality and empower all women and girls.
3. Reduce inequality within and among countries.
4. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

1 https://sdgs.un.org/goals
Each goal, while ambitious, is underpinned by many actionable targets, which can be found here. Despite the impact of the COVID-19 pandemic, a collection of private entities, public companies, national governments, and international organizations continue working to achieve these goals, which were developed in 2015. In June 2021, the UN shared these notes of progress:

SDG 1: ²
- The share of global workers living in extreme poverty fell from 14% in 2010 to 6.6% in 2019.
- Vast majority of the working poor are part of the gig, or informal, economy, which COVID-19 continues to severely impact.

SDG 5: ³
- From 2000 to 2019, the share of women holding managerial positions increased by 3% to 28.3%.
- As of 2019, women account for nearly 39% of the global labor force.
- COVID-19 has disproportionally impacted women’s participation in the workforce.

SDG 10: ⁴
- From 2014-2020, almost one in five people reported personally experiencing discrimination, on at least one category prohibited under international human rights law.
- Women are more likely to be victims of discrimination than men (data from 44 countries and territories).

SDG 16: ⁵
- Worldwide, 31.1% of legislators are 45 years of age or younger, an increase from 28.1% (2018).
- Male legislators continue to predominantly hold the leadership positions of Speaker or Committee Chair.

INVESTING IN ACTION
Companies have an opportunity to build on this progress and help achieve the SDG targets through their operations, products or services, and interactions with stakeholders. Consider: How does a corporation create and support a diverse workforce? How does it address issues such as pay equity? How does it use its buying power, brand name recognition, or economic position to effectively support related topics of import to its stakeholders? Corporations can directly impact progress towards the SDG targets. For example:

Promoting Inclusive Equality: PayPal has taken strides to foster an inclusive and diverse workforce, reflect inclusion in its leadership, and build a workplace and community experience that supports people’s shared experiences and celebrated differences. Highlights of PayPal’s progress:
- 45% of PayPal’s Board of Directors are women or people of underrepresented minority backgrounds.
- PayPal offers eight Employee Resource Groups for awareness- and community-building.
- Three consecutive years of achieving 100% global gender pay equity and 100% U.S. ethnic pay equity.
- PayPal has committed $15 million to advancing racial equity through internal changes and programs, and by supporting its community partners.
- The company has been recognized as a Bloomberg Gender Equality Index member (2021) and Best Places to Work for LGBTQ Equality (2021).⁶

Technology for Equality: Qualcomm helps empower marginalized women as entrepreneurs in local economies. Details on the effort:
- The Qualcomm® Wireless Reach™ program has partnered with Hapinoy in creating the Hapinoy Mobile Money Hub project in the Philippines.
- Hapinoy Mobile Money Hub equips participating mothers (in Tagalog, “Nanays”) with mobile literacy training, access to capital via microfinancing, and new business opportunities using advanced wireless technologies. (Qualcomm contributed project funding and supplies wireless technology expertise.)
- The project empowers female micro-entrepreneurs to become Mobile Money Agents, allowing them to generate additional income by providing reliable payment services in their local neighborhoods.⁷

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² https://sdgs.un.org/goals/goal1 (Progress and Info)
³ https://sdgs.un.org/goals/goal5 (Progress and Info)
⁴ https://sdgs.un.org/goals/goal10 (Progress and Info)
⁵ https://sdgs.un.org/goals/goal16 (Progress and Info)
⁶ PayPal information from public company materials.
⁷ http://www.businessfor2030.org.qualcomm
2030 IS FAST APPROACHING
Even as investors and corporations continue to look on the SDGs as a framework for impact, questions still loom. How will our regional and global economies fare in light of the gender- and racially-biased labor and wage gaps, especially those exacerbated by COVID-19? What diversity, equity, and inclusion progress will our global society have achieved by 2030? Our team continues to consider these questions and more, as we incorporate the SDGs into our approach to Responsible Investing for our clients. We invite readers to continue to learn more about the SDGs, progress towards the goals, and our other impact themes in future articles in this series.

About 1919 Investment Counsel
1919 Investment Counsel, LLC is a registered investment advisor. Its mission for more than 100 years has been to provide counsel and insight that helps families, individuals, and institutions achieve their financial goals. The firm is headquartered in Baltimore and has regional offices across the country in Birmingham, Cincinnati, Houston, New York, Philadelphia, San Francisco and Vero Beach. 1919 Investment Counsel seeks to consistently deliver an extraordinary client experience through its independent thinking, expertise and personalized service. To learn more, please visit our website at 1919ic.com.

1919 Responsible Investment Team
• 6 RI dedicated team members
• Comprehensive RI Committee Process and Investment Review considering Values, ESG factors and Impact
• 45+ years managing Responsible Investments

1919 Fixed Income Investment Team
• 6 FI professionals with an average of 15+ years of experience
• PM team implements tailored FI portfolios with the client’s desired risk bands for duration, credit quality and yield
• Utilizes in-house research to recommend bonds based on appropriate relative value within client’s mandate

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