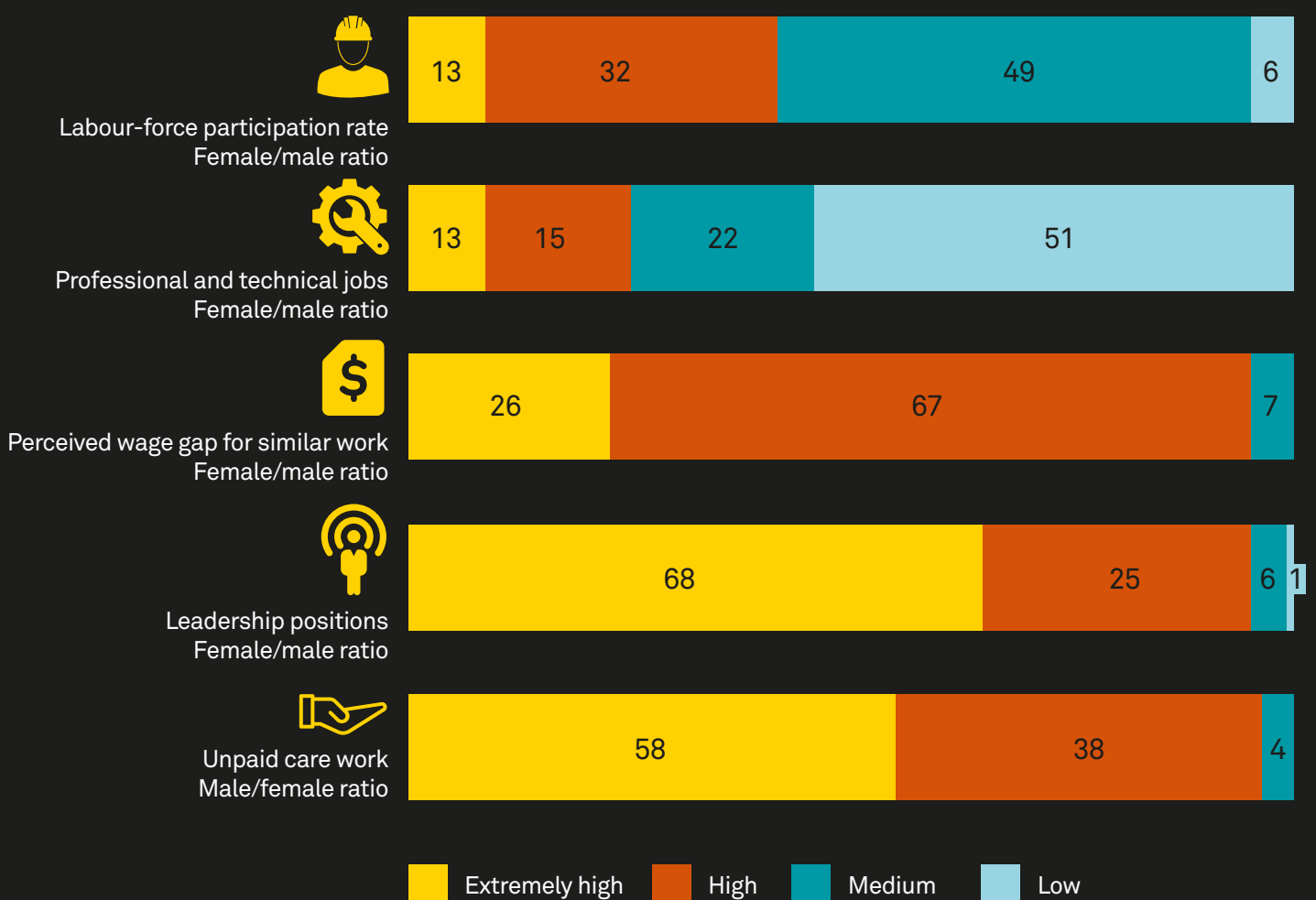


# Return to gender

## Country gender equality scores – level of gender equality

Percentage



Source: McKinsey Global Institute, The Power of Parity: How advancing women's equality can add \$12 trillion to global growth, as at September 2016.

## Potential changes in GDP

### Global GDP opportunity by 2025

#### Incremental 2025 GDP to 2025 business-as-usual scenario



The graph above indicates the percentage increase in GDP if women participated in the economy identically to men and the value in US\$trn it would add to the economy.

**Note:** Numbers may not sum due to rounding.



Source: ILO; World Input – Output Database; Oxford Economies; IHS; national statistical agencies; McKinsey Global Growth Model, McKinsey Global Institute analysis.

Gender equality has proved a high profile media topic in the past year, with the #MeToo and #TimesUp campaigns garnering global support and attention. Recent UK pay-gap figures have also revealed the stark pay inequalities that still exist between the sexes in most industries and companies. Many such conversations centre around the possible social impact of supporting gender equality in the workplace. However, research shows that along with having a positive social impact, increasing the number of women in the workplace (and supporting them once they're there), carries a host of potential macroeconomic benefits. This suggests working to achieve gender parity should be on the agenda of all investors, not just those with a social impact focus.

Research shows that global educational attainment is essentially very equal. For example, Saudi Arabia, where women have only recently been allowed to drive and enter sports stadiums, has a marginally higher proportion of women than men enrolling in primary education than Iceland – a notably progressive country in gender parity terms. However, despite accounting for 50% of the global working-age population, women only generate 37% of global GDP\*, suggesting they are a seriously under-utilised economic resource given their comparable levels of education.

Much of this discrepancy can be explained by two key factors. Firstly the lack of women in leadership positions, both professional and political, and secondly the huge amounts of unpaid care work being done by women compared to men. There are three primary benefits of increasing equality in female participation in the workforce – not just in terms of the numbers of women in work but also by improving equality in senior positions and across the sectors.

***Lottie Meggitt – Responsible investment analyst. Newton Investment Management, a BNY Mellon company***

\* McKinsey Global Institute, The Power of Parity 2016.

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