Embedding Gender in Sustainability Reporting
A Practitioner’s Guide
Executive Summary

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Executive Summary

Research on companies’ reporting on gender equality found that companies rarely report much gender disaggregated data despite the inclusion of gender-related indicators in the GRI framework, and global recognition of the importance of gender equality (Grosser and Moon 2008).1 This educational resource has been produced by the Global Reporting Initiative (GRI) and IFC, with the support of the governments of Iceland, Germany, and Switzerland, to help organizations using the GRI Sustainability Reporting Framework embed material gender issues in sustainability reports. It is also intended to inform the formal process of integrating gender in future updates of the GRI Sustainability Reporting Framework (also known as G3 Guidelines).2

The full text of the publication highlights some of the existing and emerging business drivers for improving practices and reporting on material gender issues. These are further to the legal and ethical imperatives for reporting on gender issues (as, for example, set out in international human rights legal and policy frameworks), which are also discussed. This guide offers practical steps on how to embed gender in sustainability reporting. It can, for example, help organizations benefit from emerging best practices in sustainability reporting, achieve bottom-line benefits, and create new opportunities for women in the private sector by better understanding and managing gender perspectives in their businesses. Adding a gender perspective to existing nonfinancial reporting frameworks may also help private companies win recognition by workers, investors and consumers.

The integration of gender-related information into sustainability reporting can also assist organizations in publicly demonstrating their accountability to women. It can allow all interested stakeholders to gain insights into the effects of organizations’ operations, products, and services on both women and men. Additionally the report can help stakeholders such as employees, communities, consumers, and investors understand how a reporting organization contributes to gender equality within its sphere of influence.

In developing this publication, a range of stakeholders - many of whom read and prepare sustainability reports - were consulted through a series of international consultation workshops with business, civil society, investors and labor representatives. Regional multistakeholder workshops, a Web survey, and an online gender practitioners’ network consultation were all used to gather input. A diverse, high-level Advisory Group was also established to support the development of this publication. Accompanying this document, videos representing individual perspectives expressed by participants at the multistakeholder consultation workshops are posted on IFC’s Web site (www.ifc.org/gender reporting). Workshop participants and others within the GRI and IFC networks have also posted information pertaining to gender reporting on the Organization for Economic Co-operation and Development’s (OECD’s) public Wikigender Web site3 through which information for this document was gathered.

The participants in the consultations on this document defined gender equality in terms of equality under the law, equality of opportunity, and equality of voice. They identified and categorized groups of gender-related issues that they expect sustainability reporters to manage and report on. Furthermore, they suggested qualitative and quantitative performance measures for these issues. Report preparers at the workshops emphasized that they are not able, nor expected by stakeholders, to report on everything and that it is therefore necessary for organizations to prioritize internally and to consult their stakeholders as to what ought to be included in their reports.

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The entire range of issues related to gender practices and reporting that were put forward by the workshop participants is included in the full document. The objective is to offer reporters a variety of ideas from which they can identify the ones most material to their business and stakeholders. Each chapter in this publication is dedicated to one category of gender-equality issues. The chapters are arranged in the order of priority expressed by stakeholders, as follows: organizational governance and values, the workplace, the supply chain, the community, consumers, and investment.

Content of the Report

1. Gender Equality in Organizational Governance and Values
2. Gender Equality in the Workplace
3. Gender Equality in the Supply Chain
4. Gender Equality in the Community
5. Gender Equality and Consumers
6. Gender Equality and Investment

Each chapter is structured as follows:

- **Introduction and Trends**: Academic literature and other studies illustrate the issues raised by stakeholders and trends in global gender and business practices.

- **Implementation and Practice**: Bullet points set out ways that organizations can implement and monitor practices to improve their gender performance and enhance their sustainability reporting.

- **What Stakeholders Said**: The feedback from the multistakeholder workshops and the survey consultations is described, including ideas for reporting on the issues they raised. Quotations from workshop participants and survey respondents are highlighted and a table summarizing issues raised by workshop participants is included.

- **Relevant Measures within the GRI Guidance**: This is a summary of existing GRI guidance, both management disclosures and performance indicators that relate to the specific category of gender equality issues. Where gender disaggregated information could potentially be provided for existing GRI performance measurements, it is noted.

- **Further Measurement Examples**: A table summarizes suggested performance measures that report preparers can use to report on each gender-related issue. Each table includes qualitative measures, such as policies, initiatives, and approaches to an issue (highlighted in blue), and quantitative measurements of performance (highlighted in purple). Based on feedback from survey respondents and workshop participants, the level of difficulty of reporting on each suggested measurement is rated as basic, moderate, or advanced.

- **Examples of gender-equality policies and legislation**: Examples from countries around the world relating to the issues in question are presented in text boxes. These examples show a broad range of approaches that governments have used as tools to promote gender equality.

- **Examples of gender-related practices and reporting**: Reporting examples from 'level-A' GRI reports are presented in text boxes and figures to provide an idea of the options reporting organizations may consider in addressing gender in their own sustainability reports. In addition some examples of gender related practices are included which were brought to the attention of the authors during the consultation workshops and research.

Following a concluding chapter entitled “What is Next?” the appendix provides an overview of gender-related international conventions, legal frameworks, and international policies, and also lists the names of participants in the stakeholder consultation workshops held in Brazil, India, South Africa, the United Kingdom, and the United States.

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4 The participants in the consultations on this document defined gender equality in terms of equality under the law, equality of opportunity, and equality of voice.

The tone of an organization’s public policy is established by its governing principles. Respect for gender equality and transparency on social, environmental, and economic factors have been widely recognized as essential components of corporate governance. Workshop participants indicated that organizational governance and values ought to be the starting point for reporting gender-related organizational practices, as an organization’s governing principles and values affect everything it does. The two primary factors discussed were diversity in management and organizational culture. Some arguments given for increasing gender diversity at the top level of organizations related to public accountability, social justice, full participation, and compliance with international conventions or national legislation. In addition, business case reasons were made pointing, for example, to research suggesting that organizations with gender diversity on corporate boards and in senior-level management tend to perform better financially. For both public interest and business case reasons, workshop participants emphasized the importance of including gender-equality considerations in policies that determine organizational culture and of including gender-disaggregated data on the composition of boards and management in sustainability reports.

“We consider women’s participation not just as being “politically correct” or one of the statistics we must report on—but we consider it as business imperative. We are beyond the state where women are just being accommodated. They play a key role in developing our companies and our economies and play a meaningful role in our lives and societies.”

Vusa Vundla, African Management Services Company (AMSCO), South Africa

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6 These include UNCTAD’s (United Nations Conference on Trade and Development) Guidance on Good Practices in Corporate Governance Disclosure (UNCTAD 2006). This guidance was developed by the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR). ISAR was established to facilitate investment, development, and economic stability by promoting good practices in corporate transparency and accounting. Other examples of corporate governance principles include the OECD Principles of Corporate Governance (OECD 2004) and the OECD Guidelines for Multinational Enterprises (http://www.oecd.org/dataoecd/56/36/1922428.pdf).

7 See, for example, Catalyst. 2007. The Bottom Line: Corporate Performance and Women Representation on Boards. New York: Catalyst http://www.catalyst.org/publication/200/the-bottom-line-corporate-performance-and-womens-representation-on-boards. For a detailed list of references cited, see the full report. According to research commissioned by the U.K.’s Cabinet office, the business case was cited as the most frequent driver for diversity and equality initiatives.
Gender Equality in Organizational Governance and Values


Implementation and Practice

In order to implement gender equality at the governance level, an organization can:

- Make a clear and explicit commitment to gender diversity in the organization’s mission statement.
- Produce an organizational plan on how to achieve the organizations’ commitment to gender diversity, with measurable targets (e.g., numbers of women as board members and in management posts), assigned responsibility, a timetable for action, and procedures for monitoring implementation.
- Establish a budget for gender initiatives at the organizational level.
- Identify a board-level individual who champions the organization’s gender-equality policy and plan.
- Appoint a person or team to manage gender equality within the organization.
- Include gender as a performance indicator on the organizational score card.

Relevant Measures within the G3 Guidelines

- A core GRI indicator related to diversity and equal opportunity in an organization’s governance framework is LA13: composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.
- Sections 4.1-4.10 of the G3 Guidelines relate to governance structure and commitments to external initiatives that an organization endorses or subscribes to.

Further Measurement Examples

The following table includes ideas for other performance measurements related to gender equality and organizational governance and values, suggested by stakeholders during the consultation for this publication.

Suggested Measures of Gender-Equality Performance and Organizational Governance and Values

<table>
<thead>
<tr>
<th>Organizational objective</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure the importance of mainstreaming gender equality</td>
<td>Description of gender-equality policy and plan</td>
</tr>
<tr>
<td>Promote diversity among board members</td>
<td>Gender breakdown of the organization’s board of directors</td>
</tr>
<tr>
<td>Promote diversity and equality in management</td>
<td>Number and percentage of management posts by gender</td>
</tr>
<tr>
<td></td>
<td>Percentage breakdown by gender of the top five highest-paid executives</td>
</tr>
</tbody>
</table>

Blue = qualitative performance measurement examples
Purple = quantitative performance measurement examples

Gender Equality in the Workplace

The majority of workshop participants as well as respondents to the web survey emphasized that equal opportunities in the workplace for women and men is a top priority. Globally fewer women than men participate in the formal workforce for reasons including disincentives to their participation. It was noted that the global gender wage gap persists. There is a growing body of evidence providing public interest and business reasons for employers to address both female workforce participation and individual gender-related workplace equality issues. For example, a reputation for promoting gender equality can enhance an organization’s ability to compete in the global marketplace for highly skilled workers. Research also demonstrates a link between women-friendly policies and long-term business success. Issues raised under this heading include promotion of gender equality in management, the recruitment and retention of female employees, fair and equal compensation for employees of both genders, parental leave policies, workplace safety, equality in training and development opportunities, access to child care, and the provision of appropriate equipment and facilities for both genders.

“Women are more and more becoming aware and prefer to work with companies that are gender sensitive.”

Gayatri Paul, DFL Ltd., India

Implementation and Practice

The following policies, initiatives, and activities may help facilitate the goal of gender equality in the workplace:

- Ensure fair and comparable wages, hours, and benefits, including retirement benefits, for comparable work regardless of gender. Conduct regular fair-pay reviews.10
- Undertake recruitment and retention campaigns that target women and men.

- Ensure both women and men participate in recruitment panels.
- Encourage the employment of women and men in occupations that are not normally considered “typical” for their gender.
- Provide professional development opportunities such as formal or informal networking, client-development activities, and equal mentoring opportunities for women and men at all levels, including those women working in nontraditional fields.

9 Some of the items listed below also draw on the Calvert Women’s Principles http://www.calvert.com/nrc/literature/documents/4978.pdf.
10 See, for example, the New Brunswick, Canada, Executive Council Office’s employer toolkit, available at: http://www.gnb.ca/0012/Womens-Issues/wg-es/toolkit-e.asp Another such toolkit, available at http://www.wageindicator.org, is an online salary survey covering almost 400,000 respondents in 12 countries.
• Implement concrete, verifiable actions promoting work-life balance, such as flexible work options, family leave, dependent care, wellness programs, and workforce exit and reentry opportunities. Allow employees to take time off work for childbirth, parental leave, and family-related responsibilities.

• Allow time off from work for employees seeking medical care or treatment for themselves or their dependents, including family planning, counseling, and reproductive health care, and support opportunities of return to positions of equal pay and status in the event of ill health.

• Prohibit discrimination based on marital, parental, or reproductive status in decisions regarding employment or promotion.

• Consider supporting access to child care either by providing child care services or by providing information and resources regarding such services.

• Provide protection from exposure to hazardous or toxic chemicals in the workplace, particularly when those substances have known or suspected adverse effects on the health of women and men, including their reproductive health.

• Prohibit and prevent all forms of violence in the workplace, including verbal, physical, and sexual harassment. Provide information on violence against women to employees.

• Implement initiatives to ensure the safety of female employees while in the workplace, as well as during travel to and from the workplace and on company-related business.

• Ensure there are separate toilets and, where necessary, changing facilities for female and male employees.

Relevant Measures within the G3 Guidelines

The GRI “Labor Practices and Decent Work Disclosure on Management Approach” in the G3 Guidelines asks for information on policy, organizational responsibility, training and awareness, monitoring and follow-up, and additional contextual information on labor aspects. GRI’s “Human Rights Disclosure on Management Approach” asks for information on relevant aspects such as non-discrimination, complaints and grievance practices, freedom of association and collective bargaining. While neither specifically mention gender, the GRI aspects listed do relate to gender, and reporters could mention relevant gender information in the course of responding to these ‘disclosure on management approaches’ (DMAs).

The following list outlines existing GRI indicators relevant to workplace gender equality.11 Per the expectations raised by stakeholders during the consultations for this document, best practice sustainability reporters would provide gender-disaggregated data relating to these indicators (LA6, HR4, LA10, LA3, LA4). Such data could facilitate analysis of whether their practices positively contribute to gender equality.

• LA2: Total number and rate of employee turnover by age group, gender, and region

• LA14: Ratio of basic salary of men to women by employee category

• LA6: Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs

• HR4: Total number of incidents of discrimination and actions taken

• LA10: Average hours of training per year per employee by employee category

• LA12: Percentage of employees receiving regular performance and career development reviews

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11 The indicators listed are grouped first by those that specifically mention gender, followed by those where gender disaggregated information could be provided.
• LA3: Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations

• LA4: Percentage of employees covered by collective bargaining agreements

Of particular relevance to apparel and footwear (AF) companies, but also useful for other organizations, are the following sector supplement indicators:

• AF27: Policy and actions to protect the pregnancy and maternity rights of women workers

• AF11: Incidents of non-compliance with standards on pregnancy and maternity rights

• AF32: Actions to address gender discrimination and to provide opportunities for the advancement of women workers.

Further Measurement Examples

The following table includes ideas for other performance measurements related to gender equality in the workplace, suggested by stakeholders during the consultation for this publication.

<table>
<thead>
<tr>
<th>Organizational objective</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have a fair and unbiased wage system</td>
<td>Ratio of remuneration of all employees and by employee category, by gender</td>
</tr>
<tr>
<td></td>
<td>Management approach to flexible work schedules</td>
</tr>
<tr>
<td></td>
<td>Uptake rate of flexible working arrangements, by gender</td>
</tr>
<tr>
<td></td>
<td>Initiatives to provide child-care support and/or facilities to employees</td>
</tr>
<tr>
<td></td>
<td>Maternity/paternity/parental leave return rates, by gender</td>
</tr>
<tr>
<td>Offer equal job opportunities</td>
<td>Initiatives to promote equal opportunities at the workplace</td>
</tr>
<tr>
<td></td>
<td>Ratio of job applications to new contracts signed, by gender</td>
</tr>
<tr>
<td>Support human resource development</td>
<td>Average hours of training per year per employee by gender and part time and full time employee category</td>
</tr>
<tr>
<td></td>
<td>Percentage of promotions in the organization’s main employee categories, by gender</td>
</tr>
<tr>
<td>Ensure a safe and healthy work environment</td>
<td>Initiatives to provide information, education and training on sexual harassment in the workplace</td>
</tr>
<tr>
<td></td>
<td>Total number of incidents of sexual harassment and action taken, by gender</td>
</tr>
<tr>
<td>Have in place an effective grievance mechanism for workers</td>
<td>Available channels within organization for filing gender-based discrimination grievances</td>
</tr>
</tbody>
</table>

Blue = qualitative performance measurement examples
Purple = quantitative performance measurement examples
Gender Equality and the Supply Chain

The outsourcing of the production of goods and services to small and medium-sized enterprises in developing countries has created new opportunities for women’s employment, both as employees and women entrepreneurs. However, much of this employment is informal employment, where workers often lack protection under legal or regulatory frameworks in terms of wages, working hours, and unemployment benefits (Oxfam 2003). Thus, many of the gender risks and opportunities presented by the global supply chain relate to women’s empowerment. In this environment both reporting organizations and their suppliers can take steps to better measure and improve their gender sustainability performance and to uphold women’s rights and economic opportunities in the supply chain. Workshop participants recommended that reporting organizations' commitments to gender equality in the supply chain be reflected in their procurement policies, ensuring that suppliers themselves have sustainable gender practices.

Monitoring gender performance throughout the supply chain can be an important part of organizations’ risk management, for example, by helping avoid damage to their reputation through association with exploitive labor conditions. Pointing to potential business benefits, workshop participants also recommended that organizations provide opportunities to women’s enterprises through a commitment to doing business with a diverse range of suppliers.

“We are working with very large corporate buyers and large government agencies in our target markets who are interested in having their supply chains be more inclusive and more representative of their communities, and that includes women-owned businesses as suppliers.”

Elizabeth Vazquez, Quantum Leaps Inc. and WE Connect International, United States

Issues Raised by Multistakeholder Workshop Participants

- Gender-equality informed procurement policies
- Reporting on suppliers with information on their gender policies
- Gender-performance audits of suppliers
- Gender impact assessment of supply chain (including gender diversity of suppliers as a criterion)*
- Training of procurement partners on gender equality
- Procurement from women’s enterprises as part of supplier-diversity*
- Capacity-building of women-owned suppliers
- A country’s women’s rights enforcement as factor for procurement decisions

* within the guidelines of the local law

Implementation and Practice

Procurement departments or those responsible for contracting and relationship management with suppliers play a significant role in organizations’ policies, criteria, and decision-making regarding supplier selection. There are a range of initiatives and activities in which organizations can engage in as part of an institutional-wide gender sustainability strategy.

Promotion of gender equality practices within the supply chain:

- Publish a clear and unambiguous executive-level policy statement/position to help ensure that employees and the public are aware of the organization’s support for gender equality practices in their supply chain.

• Put in place procurement policies and procedures that are gender sensitive.

• Identify mechanisms to help ensure that suppliers meet these policies and procedures in order to be eligible for procurement.

• Run supplier mentoring and training programs on gender practices and reporting.

• Seek suppliers sharing the organization’s commitment to gender equality. Request from potential suppliers information on their gender policies and supplier diversity.

• Publish a list of the largest tier-1 suppliers and their gender policies.

• Request third-party audits of suppliers’ gender performance data.

Promotion of supplier diversity:

• Adopt a widely accepted definition for a ‘women’s enterprise’ for the purposes of being able to effectively report on gender diversity in the supply chain.¹⁴

• Determine the financial value and percentage of total procurement spending done by vendor, broken down by gender and type of supplier.

• Within the guidelines of the local law, analyze the existing supply chain to establish the current baseline number of first- and second-tier suppliers that meet the definition of women’s enterprises, and identify opportunities to reach out to and strengthen partnerships with women-owned and -managed businesses.

• If applicable, establish targets to raise the number of women’s enterprises within the supply chain.

• Work with a third-party organization that can help identify, verify, and certify women-owned businesses in the organization’s supply chain.

• Identify a “women’s enterprise champion” within the organization’s procurement department to keep track of supplier-diversity statistics.

• Make available to staff a list of suppliers and subcontractors that are women’s enterprises for inclusion in procurement processes (particularly during outreach at the ‘expression of interest’ stage).

• Increase transparency by making public key information about how the organization’s supply chain works, how the organization sources from vendors, what is being sourced from vendors, and, if applicable, how small and medium enterprises (SMEs) can register as preferred suppliers and compete for contracts.

• Create outreach initiatives, offer a supplier mentoring program, and host matchmaking events and “procurement fairs” targeting women-owned businesses to help develop their capacity to become quality suppliers.

Relevant Measures within the G3 Guidelines

An organization reporting on its supply chain should decide which aspects of the supply chain to report on as well as how to report them. For example, not all of an organization’s suppliers are equally important to the organization. The reporting organization should ask certain key questions of itself before reporting in this domain: Which suppliers fall under the control or significant influence of the reporting organization? Which suppliers have significant impacts on the reporting organization’s performance?

Currently, the GRI G3 Guidelines request information on the scope and boundary of a sustainability report to be included as part of the report’s profile section. GRI’s boundary protocol can serve as a reference for where the boundary should be in the context of supply chain reporting.

One of GRI’s core indicators is EC6: policy, practices and proportion of spending on locally based

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¹³ A tier-1 supplier is an organization at the top of the supply chain supplying goods or services directly to the client, also known as the ‘main contractor’.

¹⁴ The U.S. National Women’s Business Council defines of a women’s enterprise as a company that is at least 51 percent owned, managed, and controlled by one or more women.
suppliers at significant locations of operation. Stakeholders who participated in the consultations on this publication suggested that reporting organizations pay particular attention to the gender element in addressing this indicator.

Another core GRI indicator is HR2: percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken. With gender equality being integral to the international human rights framework, this implies that gender issues also be covered under this indicator.

A GRI indicator included in the pilot version of the Apparel and Footwear Sector Supplement, which could also be used beyond that sector, is AF6: policies for supplier selection, management and termination. Reporting on this indicator could be relatively straightforward, given that it relates to an organization’s activities under its direct control.

Management and reporting of sustainability issues, including gender, are typically considered the domain of large organizations but are increasingly being embraced by SMEs within the global supply chain. An emerging trend is that these smaller, but no less important, organizations are writing their own sustainability reports and getting them certified by assurance providers. In 2007 over 80 reports were published by SMEs in the global supply chain. One approach to gathering gender information on the supply chain is for larger organizations to work with and support their suppliers in producing sustainability reports containing gender information. Larger organizations could include in their own sustainability reports information on initiatives they have in place to support suppliers in implementing gender-equality policies and programs and in reporting on these activities.

Further Measurement Examples

Indicators discussed in the chapter on gender equality and organizational values as well as the chapter on gender equality in the workplace are also likely to be particularly relevant for consideration by organizations managing and reporting on gender impacts within their supply chains. Organizations may want to report on the fact that their suppliers have values and gender practices similar to that of their own organization.

<table>
<thead>
<tr>
<th>Suggested Measures of Gender-Equality Performance in the Supply Chain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational objective</td>
</tr>
<tr>
<td>Measure</td>
</tr>
<tr>
<td>Do business with organizations that respect gender equality</td>
</tr>
<tr>
<td>Description of gender equality in procurement policy and plans</td>
</tr>
<tr>
<td>Promote women’s entrepreneurship and supplier diversity</td>
</tr>
<tr>
<td>Financial value and percentage of total procurement by supplier company and type of good or service, broken down by gender and type of supplier</td>
</tr>
</tbody>
</table>

Blue = qualitative performance measurement examples
Purple = quantitative performance measurement examples
Gender Equality and the Community

Organizations can strengthen their efforts to promote gender equality in their operations by promoting their values in their engagement with their local communities. This engagement can take the form of organizations’ managing their negative impacts on the communities, such as environmental damage, population displacement, and use of natural resources. Organizations also have the ability to distribute their positive impacts more equally among women and men in their communities through employment, contracting, charitable contributions, and investments. Among the practices recommended for reporting organizations by workshop participants are establishing community consultation and grievance mechanisms, perhaps with separate channels for women to ensure that their voices are heard; protecting women from violence; and assessing the gender-differentiated impacts of population displacement, which can be harsher for women. Such practices can directly benefit organizations by helping them increase their developmental impact, develop a more inclusive recruitment pool within the community, build loyalty with local customers, and avoid litigation and disruption to their operations.

“"The opportunity to discuss the question of gender in reporting is quite timely in Brazil because Brazilian companies are much more interested today than 10 years ago on how they dialogue with the society on what they are doing.”"

Thereza Lobo, Comunitas, Brazil

“If we just focus on the business reasons for doing it, we really miss a trick. People want to do this because it is the right thing, not just because it is good for business.”

Sam Mercer, Business in the Community (BITC), United Kingdom

Issues Raised by Multistakeholder Workshop Participants

- Community development programs that empower and target women, with a focus on access to essential services
- Promotion of women’s access to finance
- Cultural change and improved attitudes toward women
- Fair and equal treatment of women in the informal sector
- Gender budgeting of programs
- Consultation with women in the community
- Gender-differentiated impacts of operations on the community
- Legal framework and its application in the community
- Employee volunteering as part of community investment
- Investments in community education on and prevention of domestic violence

Implementation and Practice

The following provides a range of examples of community initiatives and activities that reporting organizations can engage in as part of an organization-wide gender approach and community engagement strategy.

Consultation:

- Ensure that women have representation on governance and decision-making bodies such as committees that engage with the local community and that make decisions on community investment projects.
- Consult with the organization’s internal women’s network (if one exists) to gather “intelligence” from female employees on gender issues in the community and approaches to resolving them.
• Set up a process in which women in the community are consulted to ensure that their voices are heard (in some cases it may be useful to consult with women separately).

• Consult with women during the scoping process of community projects and ensure their representation in helping identify and select community initiatives funded by the organization and in decision-making and governance structures, so they can participate in determining how funds get spent, on which communities, and on what types of initiatives.

• Support the establishment of an (external) women’s community consultative council, if deemed useful.

Community Initiatives:

• Connect the diversity official of the organization (if one exists) with the staff who design and implement community initiatives. The diversity official may be able to bring a unique gender perspective to the community programs.

• Find out if there are any existing public-sector-supported initiatives with a gender focus that might be of interest to the organization. Consider whether such initiatives might be worth leveraging in a tripartite (private sector, community and government) arrangement.

• Ensure that any partnerships (whether public or private) fit with the organization’s values on gender.

• Work closely with local governments and communities on policies and practices that promote gender equality and the empowerment of women.

• Consider employee volunteering as mechanism to help better understand and address gender issues in the local community.

• Support the provision of educational information about domestic violence to the local community.

Building Women’s Capacity:

• In order to enable women’s effective participation in local community programs throughout design and implementation stages, identify women’s learning needs in the community and help ensure that these needs are addressed.

• Provide career information and training programs designed for the local community that are accessible by and targeted to both women and men.

• Consider establishing programs to encourage women to enter nontraditional fields related to the organization.

Monitoring and Evaluation:

• Ensure that gender-differentiated impacts on local communities are taken into account during an environmental and social impact assessment process and that gender-disaggregated data are included in the baseline information obtained.

Relevant Measures within the G3 Guidelines

Through the G3 Guidelines Society Disclosure on Management Approach (DMA),15 organizations are asked to report their policy related to assessing the risks and managing the impacts of their operations on local communities. If a company’s policy mentions specifically the assessment and management of impacts by gender, then this information is pertinent to include in its reports.

Indicator SO1 covers information on the “nature, scope, and effectiveness of any programs and practices that assess and manage the impacts on communities, including entering and exiting operations.” Gender-specific information could be included in reporting on this indicator.

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A GRI indicator contained with the Electric Utilities Sector Supplement supports reporting specifically on the impact of displacement. EU20 requires sector reporters to include information on their “approach to managing the impacts of displacement.” Outside the electric utilities sector, this may also be relevant to any sector where business activities result in displacement and resettlement of local community members. In this case, best practice would include reporting on this indicator with gender-disaggregated data to reveal whether women are disproportionately affected and whether action has been taken to mitigate such effects as suggested by the stakeholders who consulted on this publication.

The Electric Utility Sector Supplement also includes an indicator (EU22) on the number of people physically or economically displaced by a company’s operations and compensation to those people, broken down by type of project. When organizations report on this indicator, best practice would involve reporting the number of people and, where possible, the amount of compensation received by gender.

Further Measurement Examples

The following table includes ideas for other performance measurements related to gender equality and the community, suggested by stakeholders during the consultation for this publication.

### Suggested Measures of Gender-Equality Performance and the Community

<table>
<thead>
<tr>
<th>Organizational objective</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Basic</td>
</tr>
<tr>
<td>Contribute to the well-being of women and men in the affected communities</td>
<td>Initiatives, including donations and grants to address equality in the community</td>
</tr>
<tr>
<td>Management approach to determining community engagement/investment activities, including policy and criteria</td>
<td>Total number of community engagement/investment programs targeting women</td>
</tr>
<tr>
<td>Management approach including gender impact assessments to addressing gender-related community impacts</td>
<td>Total monetary value of community engagement/investment programs, broken down by gender of the beneficiaries</td>
</tr>
</tbody>
</table>

Blue = qualitative performance measurement examples
Purple = quantitative performance measurement examples
Gender Equality and Consumers

Demand for ethical and sustainable products has risen and is projected to continue, particularly among female consumers who globally control about $20 trillion in annual consumer spending and whose purchasing power is forecasted to further increase. Yet, while the female economy is said to represent a growth market more than twice as big as the opportunity of China and India combined, the female consumer is widely considered underestimated and underserved (Silverstein and Sayre 2009). This environment creates an opportunity for organizations to boost their sales by obtaining certification of their products and services and promoting their values through both marketing and reporting. Some fair-trade certification and other verification schemes include gender-equality criteria among their standards. Organizations’ responsible marketing of products and services can play an important role in promoting gender equality, influencing society’s perceptions of gender roles, and challenging stereotypes. Workshop participants recommended practices for reporting organizations, including setting policies that eliminate gender-discriminatory messages in their marketing and advertising materials, implementing gender sensitivity in their provision of customer service, and analyzing customer feedback in order to understand gender-differentiated impacts on consumers. Women’s access to products and services was viewed as particularly important in relation to the financial sector’s ability to reach out to the women’s market, especially in developing countries.

“One of the areas we’d like to understand better in terms of our output, is the impact gender portrayal has on our audiences.”

Bola Fatimilehin, British Broadcasting Company (BBC), United Kingdom

Issues Raised by Multistakeholder Workshop Participants

- Marketing and advertising policy and practices, particularly the portrayal of women in the media
- Development of gender-sensitive products and services
- Access issues related to distribution and delivery; specifically, women’s access to finance
- Customer service and engagement

Implementation and Practice

A range of initiatives and activities may prove effective in achieving an organization’s goal of embedding its gender values, policies, and principles into its consumer affairs:

- Establish ethical marketing and advertising policy and procedures that exclude any form of gender or sexual exploitation from marketing and advertising campaigns.
- Review and monitor marketing and advertising materials to ensure that they do not discriminate on the basis of gender.
- Establish customer service policy and procedures that take into account gender equality in terms of access and monitor their implementation.
- Conduct an analysis of products and services to ensure that they are accessible to both female and male customers where appropriate.
- Train customer service agents or customer-facing employees to be sensitive to gender-related issues.

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17 For an example of guidelines regarding sex discrimination in advertising, see the Danish Consumer Ombudsman at http://www.forbrug.dk/english/dco/dcoguides/guidelines-and-guidances/sexdiscriminationina/
• Collect customer satisfaction and complaint information, broken down by customer’s gender, to better understand any gender-differentiated perceptions of the organization’s customer service, product marketing and advertisement, product impact and user-friendliness, and so forth.

• Find out whether “gender-equality certification” bodies or programs exist at the national level and consider participation.

• Learn about gender-equality requirements of fair-trade and, if deemed relevant and useful, consider applying for certification.

Relevant Measures within the G3 Guidelines

The primary relevant GRI indicator is PR7: total number of incidents of noncompliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.

Further Measurement Examples

The following table includes ideas for other performance measurements related to gender equality and consumers, suggested by stakeholders during the consultation for this publication.

Suggested Measures of Gender-Equality Performance and Consumers

<table>
<thead>
<tr>
<th>Organizational objective</th>
<th>Measure</th>
<th>Basic</th>
<th>Moderate</th>
<th>Advanced</th>
<th>Advanced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not to discriminate or stereotype against men or women in marketing and advertising</td>
<td>Policy and mechanism in place to avoid gender discrimination in marketing and advertising materials</td>
<td>Number of complaints regarding gender discrimination in marketing and advertising materials</td>
<td>Management approach to ‘Gender Equality Certification’ by Third Party</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reflect the needs of men and women in customer services and complaint procedures</td>
<td>Number of customer complaints by type and by gender of complainant</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Blue = qualitative performance measurement examples
Purple = quantitative performance measurement examples

“If companies do not relate to gender diversity, then in many cases they are actually missing out: either on 50 percent of the resource pool or the consumer pool.”

Harsh Purohit, Cognito Advertising, India
Gender Equality and Investment

Social and environmental performance, in addition to financial performance, is increasingly being recognized as germane to organizations’ long-term sustainability. Led by socially responsible investment funds, but increasingly being adopted by others, investors’ decisions are often informed by public interest concerns, including organizations’ management of their performance on gender.18 Some socially responsible investment funds screen for gender performance when selecting companies to invest in,19 and rating agencies have also begun to apply gender-related criteria.20 Furthermore, and reinforcing public interest reasons for screening around gender, there is a growing belief in the investment world, supported by research findings, that companies that empower women and encourage gender diversity may outperform others in the long term – gender performance being one possible indicator of organizations’ financial strength.21,22 Additionally, the proportion of women making investments is growing. Given the increasing number of women globally who are establishing their own businesses and accumulating wealth, workshop participants suggested that organizations reach out to these potential investors by adopting policies and practices that promote gender equality and by speaking to gender-related values and performance in reporting. They also noted the importance, for reasons of impact and reputation, of evaluating the sustainability of the gender practices of the companies in which organizations invest and, in turn, of their own institutional investors.

“We believe that improving gender practices and performance makes sense not only from a social justice perspective, but also from a financial perspective as it can contribute to improved bottom line performance for a company. Our belief has now been validated by a number of research studies demonstrating that having women in executive positions and on the board can indeed contribute to stronger financial performance. We at Calvert continue to leverage our analysis and advocacy to help companies more effectively manage gender practices so they can be better positioned in both the workplace and marketplace.”

Amy Augustine, Calvert Asset Management Company, Inc., United States

18 For example, a US-based investment fund avoids companies with no women in upper management or on the board and proactively invests in companies with good disclosure, policies, and programs for gender equality.
19 See the full report for an example of a U.S.-based pension fund that applies a gender criteria.
20 For more information, see a frequently cited report by McKinsey (2007) http://www.talentnaardetop.nl/web/file?uuid=72d4f129-77bd-4c30-8f88-603d6202c848&owner=9c74cb66-9801-4cac-b2c9-c72e9814ab51.
21 Although not conclusive there is evidence of a correlation that organizations with women in senior-level positions and on boards tend to outperform others in both the United States and Europe. See, for example, research by Catalyst (2007) at http://www.catalyst.org/publication/2007/the-bottom-line-corporate-performance-and-womens-representation-on-boards.
22 See full report for more information on a Japanese securities company that developed an investment instrument based on factors such as the number of female executives, gaps in the length of male and female workers’ careers, the maternity leave and other support systems for women.
23 For more information visit http://www.calvert.com/sr-examining-cracks.html.
Implementation and Practice

There are a range of gender-related initiatives that an organization may want to engage in as part of its overall investment and investor-outreach strategies.

Investment Decision Making:

• Establish processes to collect, analyze and report gender-relevant information on potential investments.

• Consider gender criteria as part of a holistic examination of environmental, social and governance factors in a bottom-up valuation process and/or a post investment engagement process with shareholders.

• Consider using gender criteria (such as gender diversity of potential investees) in determining the organization’s investment strategy.

• Avoid investing in organizations that do harm and/or violate human rights.

• Find out if potential investees’ largest shareholders have stated gender policies and practices.

• Find out if the company is listed in a socially responsible investment index or fund with gender criteria.

• Align the organization with investment partners and investees who have the same stated gender values and principles.

Attracting Investment:

• Find out if investors, funds, or rating agencies use the organization’s gender performance as investment criteria.

• Include any gender indicators used by sustainable investment funds in the organization’s own sustainability reports.

• If the organization is included in an investment index or fund with gender criteria, ensure that this is mentioned in the organization’s sustainability report to promote this fact to other potential investors.

• Promote the company’s sound gender policy and practices to potential investors.

• Establish whether companies listed in an investment index (or fund) with gender criteria attract larger investment amounts than others. If so, find out who the investors in those funds are and target them as part of the organization’s investment outreach strategy.

• Find out if the organization’s largest shareholders have gender policies aligned with the organization’s own values and principles. If so, advertise this fact to other investors.

Promoting Women as Investors:

• Determine the gender breakdown of the organization’s investors and shareholders.

• Evaluate whether female investors constitute a growing share of new investors.

• Consider reaching out to women investors by advertising the organization’s sound gender policy and practices.

• If relevant to the organization’s business strategy, consider supporting capacity-building initiatives to promote investment by women.
Relevant Measures within the G3 Guidelines

Within the GRI G3 Guidelines and in the organizational profile section of their sustainability reports, reporters are asked to include information on the ownership of the organization, in terms of the identification and breakdown of shareholders. Reporters could provide information on the gender breakdown of shareholders to assist in the analysis of their gender performance. Reporters can also refer to the GRI indicators mentioned in the chapters on governance and workplace issues for cross-cutting performance measures.

Further Measurement Examples

The following table includes ideas for other performance measurements related to gender equality and investment, suggested by stakeholders during the consultation for this publication.

Suggested Measures of Gender-Equality Performance and Investment

<table>
<thead>
<tr>
<th>Organizational objective</th>
<th>Measure</th>
<th>Basic</th>
<th>Moderate</th>
<th>Advanced</th>
</tr>
</thead>
<tbody>
<tr>
<td>Be recognized by sustainability investors and mainstream investors for gender performance</td>
<td>Policy for investment decision-making including consideration of gender as a criterion</td>
<td>Number and value of investment funds with gender criteria/strategy in which company is listed</td>
<td>Percentage of individual shareholders by gender</td>
<td></td>
</tr>
</tbody>
</table>

Blue = qualitative performance measurement examples
Purple = quantitative performance measurement examples

“Promoting diversity is indeed an opportunity for companies and investors. A diverse workplace is more attractive to a wider pool of talent; thereby giving companies with better diversity records a distinct advantage in recruiting employees. All forms of diversity, including gender diversity, also can be key drivers of innovation.”

Peter DeSimone, Social Investment Forum, United States
What is Next?

The full text of this publication outlines how the case for promoting and respecting gender equality practices and reporting is driven by a range of interacting factors. It sets out the legal and ethical drivers in line with globally shared principles and values and the pursuit of equal rights between women and men. Existing and emerging business drivers for improving practices and reporting on gender are also covered.

Although the current GRI G3 Guidelines currently only cover a limited number of explicit gender-specific issues in their management disclosures and indicators, this work has indicated that many gender equality issues can only be analyzed if gender disaggregated breakdowns of information are provided by reporting organizations. Therefore this has underlined the opportunity to significantly enhance the gender relevance of many existing indicators in the G3 Guidelines. In turn, there is scope for reporters to provide gender disaggregated information for a range of existing indicators in the G3 Guidelines and to draw on some existing sector-specific indicators referring to gender.

Moving forward, gender will be considered by GRI’s Governance Bodies for inclusion in GRI’s forthcoming work plan for formal G3 Guidelines updates. In the meantime, it is hoped that reporting organizations will make use of this resource and integrate gender information into their future reports towards operationalizing their commitment to a world of gender equality and sustainable development.