



# INTEGRATING GENDER IN Mining Operations

The evidence is clear: equal opportunity for women and men in the mining sector benefits companies as well as families and communities. While women are a major and growing segment of an economy's workforce and supply chain, the mining sector continues to be male-dominated. Evidence has shown that when companies recognize the opportunity of a more diverse workforce and supply chain, and of engaging more broadly with communities, they can increase productivity, reduce costs, and strengthen social license to operate.

## GENDER IS AN IFC CORPORATE PRIORITY



Gender is a key cross-cutting strategic theme under IFC 3.0 and is included as part of IFC's capital commitments. IFC has long taken a comprehensive approach to reduce gender inequality—from supporting opportunities and improved working conditions for women employees, helping expand access to financial services for women, investing in innovative technologies that expand choices of female consumers, and supporting business skills and leadership training for women entrepreneurs.

As part of the recent capital increase, IFC has committed to:

- quadrupling financing for women and women-led SMEs.
- increasing representation of women on boards.
- more than doubling commitments to financial institutions targeting women.
- systematically integrating gender into projects.

By improving how gender is integrated in INR projects, IFC can further demonstrate its commitment to improving gender equality globally.

## Increasing women's engagement in mining operations can...

	KEY ISSUE	BUSINESS CASE	CASE STUDY	KEY ENTRY POINTS FOR IFC PROJECTS
 <p>...strengthen the talent pool and lead to improvements in organizational efficiency and profit</p>	<p>Only 5% of board seats in the top 500 global mining companies are held by women, despite evidence that gender-diverse boards are good for business.<sup>1</sup></p>	<p>Gender diversity at the board level is associated with improved financial performance<sup>2</sup> and linked with better risk-management practices<sup>3</sup>, fewer instances of corruption and bribery<sup>4</sup>, and higher CSR ratings.<sup>5</sup></p>	<p>Investors and governments are paying increasing attention to the importance of inclusion of women on boards. In Norway, for instance, firms are subject to dissolution if they do not have 40% women on boards.<sup>6</sup> And Hermes EOS, a \$330billion investment fund, has committed to oppose board elections for companies with fewer than 25% women and without a plan for improving gender diversity.<sup>7</sup></p>	<ul style="list-style-type: none"> <li>▶ Assess and revise HR policies and materials to encourage and support female and male applicants, recruitment, retention, and promotion</li> <li>▶ Conduct gender audits to understand challenges to attracting, retaining, and promoting women and men employees</li> <li>▶ Assess and update uniforms, PPE, and workplace design and infrastructure to support safe and best performance by women and men employees</li> <li>▶ Assess incidences, risks, and reporting and referral systems related to gender-based violence</li> <li>▶ Identify women and men gender champions who will lead and coordinate gender activities</li> <li>▶ Provide training for HR, management, and staff on the value of a gender diverse management and teams</li> <li>▶ Obtain global gender certification (e.g. EDGE Gender, UNDP) and/or national gender seal</li> </ul>
	<p>Women comprise only 10% of the mining labor force globally.<sup>8</sup></p>	<p>Gender-inclusive workforces are good for business. More diverse and inclusive recruitment can broaden the talent pool, improve staff retention, promote innovation, and increase productivity.<sup>9</sup></p>	<p>BHP Billiton has reported a 15% improvement in performance in its 10 most gender-inclusive operations, which has contributed to the company's goal of having a 50% female workforce by 2025.<sup>10</sup></p>	
 <p>... strengthen supply chains and help keep costs down</p>	<p>SMEs have tremendous potential for being integrated into the mining supply chain, but to date, women-owned SMEs particularly have struggled to benefit from the sector because of legal and sociocultural barriers, difficulty accessing finance, weaker professional networks, and barriers related to corporate procurement policies.</p>	<p>Gender diversity in the supply chain can strengthen the supply chain, increase competition between suppliers, and improve productivity and quality of supplies. Companies that prioritize supplier diversity have a 133% greater return on procurement investment, spend 20% less on buying operations, and have considerably smaller procurement teams than those with lower supplier diversity.<sup>11</sup></p>	<p>SheTrades is an initiative of the International Trade Center that brings together female entrepreneurs and suppliers, with the aim of connecting one million women entrepreneurs with markets by 2020.</p>	<ul style="list-style-type: none"> <li>▶ Provide targeted training and capacity building for local women-owned businesses</li> <li>▶ Develop supplier portals to improve local supplier access to procurement opportunities</li> <li>▶ Assess client procurement policies to identify opportunities to increase access for small and medium enterprises</li> <li>▶ Partner with local finance institutions and Banking on Women program to increase access to finance and reduce financing gap for women-owned businesses</li> </ul>

<sup>1</sup> PwC, 'Mining for Talent 2014: A Study of Women on Boards in the Mining Industry,' London: PwC, 2013, 6.

<sup>2</sup> Vanessa Fuhrmans, "Companies with Diverse Executive Teams Posted Bigger Profit Margins, Study Shows," The Wall Street Journal, January 18, 2018.

<sup>3</sup> Shimen Chen, Xu Ni, and Jamie Y. Tong, "Gender Diversity in the Boardroom and Risk Management: A Case of R&D Investment," Journal of Business Ethics, vol 136, no. 3 (2016): p. 599-621.

<sup>4</sup> Linda-Eling Lee, Ric Marshall, Damion Rallis, and Matt Moscardi, "Women on Boards: Global Trends in Gender Diversity on Corporate Boards" (MSCI, 2015).

<sup>5</sup> Rachel Soards, Heather Foust-Cummings, Claude Francoeur, and Real Labelle, "Companies Behaving Responsibly: Gender Diversity on Boards" (Catalyst, 2015).

<sup>6</sup> Annette Ekin, "Quotas get more women on board and stir change from within," Horizon, September 6, 2018.

<sup>7</sup> <https://portfolio-adviser.com/hermes-blasts-rio-tinto-lack-female-directors/>

<sup>8</sup> PwC, 'Mining for Talent 2014: A Study of Women on Boards in the Mining Industry,' London: PwC, 2013, 4.



<sup>9</sup> AmCham and BIAC, "Putting all our Minds to Work: Harnessing the Gender Dividend," 8.

<sup>10</sup> James Wilson, "BHP Aims for 50% of Workforce to be Women by 2025," Financial Times, October 19, 2016. See Also: [IFC Corporate Governance Fact Sheet: Women on Boards and in Corporate Leadership](#), IFC 2018.

<sup>11</sup> IFC, "Women Entrepreneurs are Essential for Private Sector Development in Emerging Markets," Washington, DC: IFC, 2015, 1

<sup>12</sup> Bernie Ward and John Strongman, "Gender Sensitive Approaches for the Extractive Industry in Peru," (World Bank: Washington, DC, 2009) 69

<sup>13</sup> IFC, SheWorks: Putting Gender Smart Commitments into Practice, 53, 54. 20 C

	KEY ISSUE	BUSINESS CASE	CASE STUDY	KEY ENTRY POINTS FOR IFC PROJECTS
 <p><b>...strengthen social license to operate and improve development impacts</b></p>	<p>Women’s exclusion from or low participation in public consultations can undermine social license to operate, reduce investor confidence, or undermine community investment or activities. Relocation allowances and profit-sharing paid only to male heads of household can undermine women’s livelihoods.</p>	<p>Women’s participation in consultations enhances efficiency, strengthens community support for operations and improves potential for social license to operate, improves sustainability through inclusive community engagement, and responds to investor concerns.</p>	<p>In a World Bank study in Peru, researchers found that while only men were involved in community consultations, they often went back to inform their wives, and as a result frequently reversed course. This indirect consultation cost the mining company time and money, and risked marginalizing women’s opinions.<sup>12</sup></p>	<ul style="list-style-type: none"> <li>▶ Conduct gender-sensitive consultations; for instance, as needed, hold separate consultations for women</li> <li>▶ Integrate gender into the methodology and analysis for all community assessments, resettlement programs, and community development initiatives</li> <li>▶ Train community engagement staff on opportunities, challenges, and entry points to integrate gender across activities</li> </ul>
 <p><b>... help understand and mitigate gender-based violence (GBV)</b></p>	<p>Many aspects of the mining industry—remote fly-in fly-out, heavily male-dominated worksites, and rapid demographic, social, and economic change in the host communities—contribute to a culture often associated with incidents of gender based violence (GBV).</p>	<p>In addition to being a human-rights violation, gender-based violence is a major business liability. One study estimated the costs of sexual harassment to Fortune 500 companies at around \$6.7 million a year in absenteeism, low productivity, and employee turnover.<sup>13</sup></p>	<p>In 2017, Rio Tinto introduced a program to support survivors of domestic violence in its workforce, including additional leave, safety plans, short-term financial assistance, and emergency accommodation.</p>	<ul style="list-style-type: none"> <li>▶ Conduct a GBV risk assessment and define a mitigation strategy</li> <li>▶ Institute a strongly-worded and widely disseminated anti-sexual harassment policy, safe and anonymous complaints procedure, appropriate remediation measures, training, monitoring, and evaluation</li> <li>▶ Develop grievance reporting, referral, and support systems for employees</li> <li>▶ Ensure that there are adequate reporting, referral, and support mechanisms in the community, and that companies are connected to local authorities to monitor and respond to any changes in violence associated with mining operations</li> </ul>

## Integrating Gender into Investment Projects—Operational Entry Points

The INR gender team is available to help IOs at the following entry points:

<b>Concept Review</b>	<b>IDENTIFY GENDER OPPORTUNITIES</b>	Identify ways in which women and men may be impacted by and benefit from the project differently, including accessing employment, supply chain, and benefits/risks. Assess actions that will maximise opportunities and minimise risks for the project.
<b>Appraisal</b>	<b>SUPPORT</b>	Support for teams through review of project documents, ToRs, and input on project design.
	<b>SCOPING/DIAGNOSTIC WITH CLIENTS</b>	Identify actions to close potential gender gaps, as part of an investment project, or as opportunities to collaborate over time, using the broader suite of IFC offerings.
<b>Board Approval</b>	<b>BOARD PAPERS</b>	Provide input and language to address gender in board papers.
<b>Disbursement/Supervision</b>	<b>CLIENT SUPPORT</b>	For implementation of activities identified during scoping/diagnostic including trainings and capacity building.
	<b>MONITORING</b>	Help to measure and report on business and development impact of gender actions. Document and apply lessons learned to future investments and client engagement.

## Resources for Gender-Smart Solutions in Mining

### Gender Smart Solutions in IFC Natural Resource Projects: A Diagnostic Tool | IFC, 2017

Diagnostic tool designed around the IFC project cycle, to help IFC staff ask the right questions to identify gender opportunities and integrate gender interventions into OGM projects.

### IFC Guidance Notes on Gender: Investment, Advisory (Internal) | IFC Gender Secretariat, 2018

These notes provide guidance that can help teams to assess if there are opportunities to close gender gaps in their projects, while being consistent with the requirements for the Gender Flag by including a gender gap analysis, an intervention, and a corresponding indicator.

### Mining for Equity: Gender Dimensions of the Extractive Industries | World Bank, 2010

A World Bank publication outlining the key gender dimensions of the oil, gas, and mining industries, specifically how women and men are differently impacted by OGM projects.

### Unlocking Opportunities for Women and Business: A Toolkit of Actions and Strategies for Oil, Gas, and Mining Companies | IFC, 2018

A toolkit including checklists, ToRs, and guidance for companies to integrate gender into Oil, Gas, and Mining operations.

### Women in Mining: A Guide to Integrating Women into the Workforce | IFC, Lonmin, 2010

An IFC/Lonmin publication that outlines a collaborative approach to increasing women in the workforce. This publication includes detailed guidance for how to increase women's representation in the mining workforce.



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<https://www.commddev.org/topics/gender/>

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