THE BUSINESS CASE FOR GENDER AND MINING

Introduction

For the mining sector, the top rated imperative in EY's annual ranking of risks and opportunities for 2021 was "miners that can demonstrate their contribution to a sustainable future." In an environment of changing commodity prices, tightening workforces with increasing turnover, complex socio-environmental dynamics, and growing interest in sustainability, mining companies are striving to identify more responsible business practices that also contribute to a healthy bottom line. Gender equity can be an important contributor to both—not only is a culture of non-discrimination and inclusion the right thing to foster, but it also has clear operational benefits. Opportunities for equitable participation from women and men at all levels attracts a stronger workforce, drives improved performance, innovation, and profit, and is an important signal to investors. Improved gender diversity in the supply chain improves reliability and keeps costs down. And equitable engagement with local communities helps companies to better understand community concerns and opportunities, invest in local priorities, create additional job opportunities for local women, and head off social license concerns.

The mining sector is unique, often characterized by remote operations, camp-style living, fly-in fly-out operations, and shiftwork, all of which have contributed to a longstanding male domination of the sector (compounded by regulations in many countries banning women from working underground). Mining companies that want to work towards gender equity are working against longstanding trends in the sector and must take bold and proactive steps to change these dynamics. Increasingly, as broadbased research highlights the value of gender diversity, a growing number of mining companies are setting ambitious targets for diversifying the sector. While the sector is still highly male-dominated, this business case presents evidence that continuing the push for gender equity in the mining sector will pay important dividends.

ENGINEERING INCLUSIVITY: INFRASTRUCTURE FOR EVERYONE

1



1. Increasing Representation of Women in the Workforce is Good for the Bottom Line

Increased gender equity can have dividends for mining companies across operations, at all levels, and is becoming an increasing point of focus for investors.

Boards: While only 10% of board seats in the top 500 global mining companies are held by women,² evidence shows that greater diversity at the board level both gender diversity and other forms of diversity—is associated with improved financial performance³ and linked with better risk-management practices,⁴ fewer instances of corruption and bribery,⁵ better climate policy,⁶ and higher corporate social responsibility (CSR) ratings.



ONLY 10% of board seats in the top 500 global mining companies **are held by women.**

Evidence shows that greater diversity at the board level is associated with improved financial performance.

According to the MSCI ESG Research report <u>Women on Boards: Global Trends in</u> <u>Gender Diversity on Corporate Boards</u>, stronger female leadership—defined as having three or more women on the board or having a greater percentage of women on the board than the country average—is correlated with a stronger return on equity than boards without strong female leadership (10.1% vs. 7.4%). It also shows that lower gender diversity was associated with more governance-related controversies.⁷ Boards with greater gender diversity also show greater accountability, increased and improved governance⁸, and improved collaboration and inclusion. Increased gender

diversity on boards increases compliance with national and international conventions and regulations and strengthens corporate accountability to the public. And companies with greater numbers of women on boards are also outperforming boards with fewer women in terms of climate policy and carbon-emissions reductions, and are more likely to have environmental targets linked to executive compensation.⁹

Stronger female leadership defined as having three or more women on the board or having a greater percentage of women on the board than the country average—is correlated with a **stronger return on equity than boards without strong female leadership.**

2

Fias Methods Find Control Find

SDG >>>>

BOX1 | Leading by Doing: Two Industry Examples

1) Newmont Mining Corp.: Ambitious Targets for Gender Diversity

Newmont is setting ambitious targets for gender diversity, as reported in its 2021 Sustainability Report. In 2021, Newmont announced full funding of its Ahafo North project in Ghana, and pledged to have gender parity in employment once commercial operations start. Globally, the company has undertaken innovative steps to improve workplace culture, such as a global review, including one-on-one conversations, which contributed to the identification of 400 "symbols of exclusion" such as "Men at Work" signs, segregated parking (e.g., between employees and contractors), seat preferences on fly-in-fly-out flights based on position, and ill-fitting personal protective equipment for pregnant women. So far, the company has eliminated 20% of these symbols. Newmont has also committed to improving representation of women in operations by 1% per year, as well as focusing on retention. Newmont conducted a 15-month trial of various gender initiatives to identify key strategies to implement, including blinding resumes and improving gender diversity in hiring slates and interview panels. As a result of these initiatives, Newmont was named as one of 418 companies included in Bloomberg's Gender Equality Index. Newmont also became the first mining company to offer a sustainability-linked bond, linking its ability to achieve gender parity in senior leadership roles by 2030—up to and including the CEO—to interest rates.¹⁰

2) BHP: Moving Towards Workforce Parity

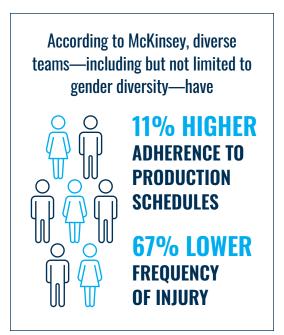
In 2016, BHP announced a goal to increase representation of women in its workforce from 17.6% to 50% by 2025. As of February 2022, the company now has more than 30% women in the workforce, 50% women on the executive leadership team, and 38% women in the roles reporting to the executive leadership team. In a 2022 blog post reflecting on what had helped the company make progress, BHP's Chief People Officer Athalie Williams stated that initial improvements were largely the result of addressing bias in hiring and recruitment, improving flexible work arrangements, creating a stronger companywide conversation on gender equity and respectful workplaces, and conducing an annual gender pay-gap review. She stressed the importance of breaking down stereotypes and creating buy-in by having conversations about what gender objectives mean for all staff to reduce push-back and increase support. Williams also highlighted the importance of data collection, both to closely monitor how different initiatives are working and to better understand how employees—and even potential employees—are experiencing the workplace.

In addition to increasing representation of women in the workforce and the executive leadership team, the initiative has also led to more than 6,000 pay adjustments to reduce the gender pay gap (over USD\$19 million over the past five years), established gender-balanced hiring, and reduced the gap between male and female voluntary turnover to just 0.6%."



There is also a positive correlation between the number of women at the board level in an industry and how attractive women find that industry¹², as well as the number of women hired. The World Economic Forum found that more women in leadership is positively correlated with more women hired throughout an organization.¹³ For heavily male-dominated industries like the mining sector that wish to benefit from increased gender diversity, progress at the top is an important commitment.

Workforce: At all levels of the workforce, evidence demonstrates the value of gender diversity. According to McKinsey, diverse teams—including but not limited to gender diversity—have an 11% higher adherence to production schedules and 67% lower frequency of injury. Diversity also supports creativity and resilience. Hiring more women can help ease labor shortages, expand the talent pool, and enable companies to recruit more locally, helping keep costs lower. In addition to broadening the talent pool, numerous studies have demonstrated that female employees are more likely to follow safety protocols, treat equipment responsibly, and operate safely.¹⁴ As a result, women operators are increasingly



in demand because their behavior yields better safety outcomes, reduced equipment maintenance and repair, and more safety-conscious operating environments.¹⁵

Gender diversity within the mining workforce is also correlated with improved community relations. A gender-diverse community engagement staff can give companies a greater ability to communicate with local women, who are often marginalized from mining consultations, and improve their ability to recognize and respond to community concerns. This can lead to more gender-sensitive community engagement programs. A diverse community engagement staff can serve as visible role models for potential female applicants. Creating opportunities for local women to serve as liaisons in the community engagement team can help build wealth within the community by keeping jobs local while enabling the team to serve as a conduit for better community understanding of a project.

And while the benefits are clear—BHP Billiton reported a 15% improvement in performance in its 10 most gender-inclusive operations¹⁸—McKinsey has still called the mining industry "a laggard among laggards." This is due to having only 13% female representation in mining C-suites and no female CEOs among mining



BOX 2 | The Roots of Bias in the Mining Sector

The forces responsible for the ongoing male bias in the large-scale mining sector are complicated and deep rooted. They include traditional (since at least the start of the 19th century) and widespread trends and perceptions that mining is a men's field. While historians have highlighted the often-overlooked role of women in mining, the contemporary large-scale mining sector is heavily male dominated in management, workforce, and culture.¹⁶ Ongoing male domination influences how many women apply and are hired into the sector, as well as having a more upstream influence on who chooses to study fields relevant to mining. Male domination and bias in the sector can lead to unconscious bias in recruitment materials, which often feature male pronouns and photographs, or recruitment procedures, which often rely on existing relationships and networks and can benefit men who have stronger social networks in the industry. Operational sites are often ill-equipped for a gender diverse workforce in terms of facilities, equipment, and design of operational machinery, and the traditional fly-in fly-out model creates an implicit assumption that someone—typically a woman—will be providing the consistent support required to make mining work compatible with family life.

Male domination of the sector often creates a workplace environment where male is the norm, and which fosters bullying and harassment, as demonstrated in the 2022 *Report into Workplace Culture at Rio Tinto*.¹⁷ While this report highlighted the extent of sexual harassment and bullying in the Rio Tinto workplace, it is likely not limited to Rio Tinto, but rather characteristic of the sector. Traditional bias, and the subtle ways in which it continues to be communicated, can discourage women from entering the field, creating a vicious cycle which inhibits access to both social networks as well as role models and mentors. Without senior women already in the sector, it can be more difficult to demonstrate advancement opportunities to applicants and new hires, making it challenging to create the pathways and opportunities for women to rise.

companies in the S&P 500.¹⁹ And while some companies like BHP have committed to having 50% women in the workforce by 2025, women comprise only 8-17% of the mining labor force globally.²⁰

However, while recent studies by McKinsey show that the mining industry globally is doing a decent job of attracting female candidates into the mining workforce about 40% of entry level roles in mining (combined with energy and utilities) are filled McKinsey has called the mining industry "a laggard among laggards." This is due to having **only 13% female representation in mining C-suites and no female CEOs** among mining companies in the S&P 500.

UMBRELLA FACILITY

WORLD BANK GROUP

Fias

SDG >>>>

"Historically, mining was an all-male industry. While that's changed, women in mining have continued to deal with implicit and explicit bias, a lack of mentors, and work-life conflict. Even today, culture is still widely seen as the biggest reason young graduates opt for work in other sectors and many women choose to leave the industry in mid-career."²¹

-OSLER

by women—the sector still faces major issues retaining women and diversifying more senior management. Compared to other industries, mining has one of the largest gender pay gaps, and women tend to be more pessimistic about career prospects the later they are in their mining careers.²² Women report fewer opportunities to advance than their male colleagues, and there is a perception that men can advance by getting

on-the-job experience, while women are expected to come in with the experience in order to advance.²³ Operational experience is necessary to get promoted, but women find it harder than their male colleagues to access it.²⁴ McKinsey's interviews found a strong perception of bias in promotions and difficulty accessing sponsorship and mentorship opportunities that are key to advancing in the mining industry.²⁵

Compared to other industries, mining has one of the largest gender pay gaps, and women tend to be more pessimistic about career prospects the later they are in their mining careers.

2. Increasing Representation of Women in the Mining Supply Chain Strengthens Supplier Diversity, Reduces Costs, and Supports Local Innovation and Competition

In addition to increasing representation of women in the workforce, mining companies also have an opportunity to benefit from gender diversity through diversification in the supply chain. As major local contractors, mining companies have an opportunity to strengthen supply chains while keeping costs down by supporting local innovation and competition with diverse local suppliers.



Supplier diversification—promoting the use of women-, local-, and minority-owned suppliers in the supply chain—is becoming an increasingly important trend in procurement because of the potential for positive bottom-line impact and local community development. Studies have shown that companies that prioritize supplier diversity have a 133% greater return on procurement investments, spend 20% less on buying operations, and have considerably smaller procurement teams than those with lower supplier diversity.²⁶ Disruptions to the global supply chain associated with the COVID-19 pandemic have also highlighted the risks of relying on low-cost but often remote suppliers and created new value in having a robust pipeline of diverse local suppliers.²⁷

The global growth in women-owned businesses is good for the companies that they supply, including in the mining sector. A recent study by BCG found that while womenrun businesses receive significantly less funding than male-owned ones, womenowned startups generate more than twice the revenue per dollar of funding as malerun startups.²⁸ Growth in women-owned business increases options for companies looking for suppliers, which can help keep bottom-line costs down. Companies that proactively encourage and support women-led businesses to compete for contracts have the opportunity to profit from the rapid growth of women-owned businesses.²⁹

In addition to the direct business benefits, supporting locally owned (or as close as possible to the host community) businesses, including those which are womenowned, produces broader benefits, including community stability, growth, and economic development. All of this can yield positive dividends for company-

community relationships. Women are key community actors: evidence shows that the greater economic autonomy and control women have, the more likely it is that funds will be reinvested in businesses, with significant spillover effects on other women-owned businesses and the community.³⁰ Thus, where mining companies drive procurement dollars to a more inclusive set of local businesses, they are not only helping to secure their own supply chain, but also supporting local women and families, and strengthening the company-community relationship.

Women are key community actors: evidence shows that the greater economic autonomy and control women have, the more likely it is that funds will be reinvested in businesses, with significant spillover effects on other women-owned businesses and the community.

UMBRELLA FACILITY

WORLD BANK GROUP

However, representation of women-owned businesses in the mining supply chain remains limited. On the supply side, women-owned businesses are typically small and

SDG >>>>

Comm Dev

Fias

7

often concentrated in just a few industry sectors. In many contexts, particularly where women have more limited access to finance, women-owned businesses struggle to meet procurement requirements for major companies. Smaller companies might struggle to provide all the services requested when contracting firms bundle contracts together. Smaller companies also might not want to accept a job when the contract terms involve potential delays between delivery and payment. And on top of all this, local women-owned businesses often lack access to the same business and community networks that male-owned businesses enjoy, meaning they have less information about upcoming tender opportunities, putting them at a disadvantage in the bidding process. On the demand side, larger companies might not know about smaller suppliers who can fill their needs or may not recognize how their current procurement processes may inadvertently disadvantage smaller suppliers. And companies may not recognize the business benefits that can come from supply chain diversification.

3. Benefits of Considering Women in Community Engagement Activities in the Mining Sector

In addition to the direct business benefits of increasing engagement of women in the mining sector workforce and supply chain, there are clear benefits to the equitable engagement of women in mining sector community engagement activities. In 2021, EY named environment and social as the greatest business risk and opportunity currently facing the mining sector, with license to operate at number three on that same list. As EY notes, "Companies are ... under increasing pressure to take more responsibility for their impact on communities and go beyond their regulatory obligations." Forty percent of EY's survey respondents indicated that community engagement activities would come under investor scrutiny in 2022.³¹

BOX 3 | 'Thinking Better of It': The Benefits of Gender-Inclusive Consultation

Ensuring women's full participation can make consultations more effective and efficient. In a World Bank study on gender-sensitive approaches in Peru's extractive industry, the authors note the observations of a representative from an international organization: "It is true that in most cases women [are not directly involved in decision-making], but it is also true that men, after 'reaching an agreement' with the mining company, take back what they said because 'they thought better of it." He added that "thinking better of it' actually meant that they had talked to their wives about it. If women's opinions had been taken into account from the beginning, perhaps both time and money could be saved in these projects." That same study also cited an example where men were considering going on strike, but were talked out of it by the community's women, who also relied on the men's income.³²

RED BANK GROUE

SDG >>>>



"Companies are ... under increasing pressure to take more responsibility for their impact on communities and go beyond their regulatory obligations."³

—EY

Companies which fail to adequately consider and work to obtain social license³³ can face immense costs. According to a Harvard study, the most frequent costs associated with social license were due to temporary shutdowns or delays due to community concerns. According to Harvard's estimates, "a major, world-class mining project with capital expenditure of between US \$3-5 billion will suffer costs of roughly US \$20 million per week of delayed production in Net Present Value (NPV) terms."³⁴ Women have been important participants and/or supporters of mine strikes around the world, including, for instance, the 1980s British miners' strike, where women were instrumental in supporting the strikers during their 51-week action.³⁵ Failing to consult, engage, and collaborate with the community as a whole courts major losses by overlooking key community constituents.

Social license and effective community engagement are strongest when they have the support of the whole community and effectively recognize the project-related concerns facing as many community members as possible. Often the benefits and risks from these projects are unequally distributed between women and men in affected communities, so male and female community members may have different levels of support for or opposition to projects. However, women are often underrepresented in consultations and decision-making forums, meaning both that their concerns are often not heard, and that companies fail to leverage their expertise and experience around natural resource stewardship. In many countries, women have been traditionally excluded from consultations; in other situations, the design of surveys and assumptions about representation within families and communities have led to their more inadvertent exclusion. As noted in Box 3 above, failure to include women directly in consultations can mean that time is lost while women are consulted in secondary private discussions, or that companies risk making uninformed choices or decisions that can have consequences for sustainability or effectiveness, or fail to work through effective local networks. To understand who key constituents are, companies have to go beyond the most visible community leaders, who are often men and may claim to represent all interests, and ensure that a diverse group of community members (in terms of not only gender, but also other community stratifications) are present in consultations.



In addition to the importance of consulting with women as part of risk mitigation, women are important partners and collaborators in community development and environmental stewardship, with unique perspectives, priorities, and roles in the community. For companies invested in the best outcome of their local economic and social investment, working closely with women is a key building block to a sustainable local investment strategy. Women's role as environmental stewards, for instance, can symbolize the integral and constructive role women play not only as current community actors, but as stewards for future generations. In many developing countries, women are often key actors and repositories of information related to sustainable agriculture, as well as key educators for future generations. Women may have not only unique perspectives, but also knowledge critical to mitigating environmental changes and preserving key environmental traits in mining communities. Their collaboration is essential for sustainable environmental—as well as social and economic—preservation and investment.³⁶

4. Importance of Addressing Respectful Workplaces and GBVH in the Mining Sector

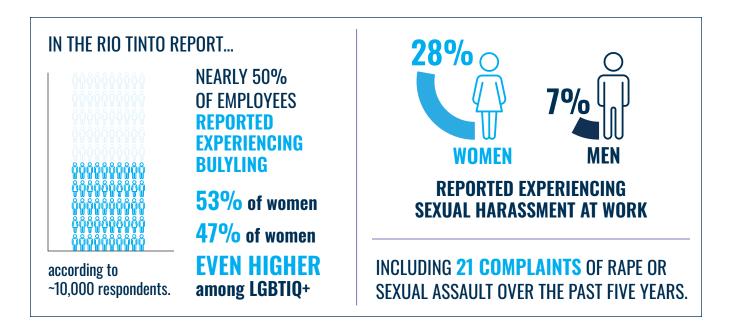
While mining companies have an opportunity to benefit from increasing gender equity in the workforce, these efforts need to be undertaken along with complementary efforts to ensure that women and men have a safe and respectful place to work, and that the presence of the sector does not create less security, particularly for women, in the community. The 2022 Report into Workplace Culture at Rio Tinto confirmed longstanding concerns about the mining sector as being particularly associated with high rates of gender-based violence and harassment, and research has shown a correlation between mining projects and rising rates of gender-based violence, including intimate partner violence (IPV) and sexual exploitation and abuse (SEA) within project-affected communities.³⁷ Many mining companies are recognizing opportunities to change on-site behavior and address issues in the broader community, both for the inherent importance of creating safe spaces and safe communities, and because failing to secure them can have tremendous costs.

As noted in Box 2, central elements of the traditional mining sector, such as a male-dominated workforce and remote working conditions, can contribute an environment that is uncomfortable or even threatening for men and/or women. A 2015 study by the Australian National University found that 93% of A 2015 study by the Australian National University found that 93% of women working in rural industries in Australia had experienced sexual harassment.



SDG >>>> Fias

Comm Dev



women working in rural industries in Australia had experienced sexual harassment, ranging from unwanted comments about their bodies or sexual behavior to male colleagues watching pornography around female employees.³⁸ A 2019 study in South Africa reported that 31% of female miners cited abuse by colleagues as a workplace concern.³⁹ Interviewees for a 2020 GIZ study reported on-site sexual harassment as a concern in mine sites around sub-Saharan Africa, including a common expectation of sexual favors in exchange for jobs or promotions and sexual harassment as a common reason for people to leave their jobs. Interviewees highlighted that they were particularly vulnerable to harassment in mining camps.⁴⁰ And in the Rio Tinto report, nearly 50% of employees reported experiencing bullying (53% of women; 47% of men, and even higher among LGBTIQ+), according to approximately 10,000 respondents. The report also stated that 28% women and about 7% of men reported experiencing sexual harassment at work, including 21 complaints of rape (actual or attempted rape, or sexual assault) over the past five years.

"While some women spoke of a positive and inclusive culture, the majority described experiences of everyday sexism which took a toll on their self-esteem, personal relationships and general health, as well as on their capacity to progress in the organization," the report stated. "Women also spoke of fears about letting management know that they were pregnant; of obstacles in obtaining flexible work arrangements; of being denied gender specific facilities such as bathrooms; of being left out of decisions and overlooked for progression; and of being asked to take notes, get coffee, or even do a colleague's washing. One simply said that she 'would not recommend Rio Tinto as a place to work for female friends or colleagues."⁴¹



Sexual harassment at the worksite, as well as what employees do or experience at home, can have serious consequences for mining companies. Globally, the cost of gender-based violence and harassment (GBVH) is estimated to be around 2% of global GDP, or around \$1.5 trillion; research in Peru found that GBVH costs Peruvian companies alone around \$6.7 billion in lost productivity and other costs.⁴² And examples are particularly rife in the mining sector. For instance, between 2019 and 2021 in Western Australia, three major mining companies (BHP, Rio Tinto, and Fortescue Metals) have faced

Globally, the cost of gender-based violence and harassment (GBVH) is estimated to be around 2% of global GDP, or around \$1.5 trillion; research in Peru found that GBVH costs Peruvian companies alone around \$6.7 billion in lost productivity and other costs.

over 175 allegations of sexual harassment and/or assault allegations. BHP has fired 48 employees over sexual harassment and assault allegations since 2019, and has invested \$300 million in making camps safer, but is committed to doing more.⁴³

There is strong anecdotal evidence of a correlation between the rise of mining activities and gender-based violence in host communities. The reasons are complicated and interrelated, but one key connection seems to be that in many mining communities where men are the primary beneficiaries of employment, rising cash flows primarily benefit men. As mining projects arrive in remote areas which have often not previously been focal points for major economic development, a rapid injection of cash and outside labor can trigger social dislocation, leading to increased access to alcohol, prostitution, and drugs. In some cultures, increased cash flows can mean that men can afford and may choose to take multiple wives, which can lead to violence between women; some men may leave their families for jobs in the industry, taking on new wives; and some women leave families for new partners with greater wealth from mining, leading to increased familial conflict.⁴⁴ Where men come into the community as mine employees, far from home for long shifts, this can also contribute to increased rates of transactional sex. While the specific factors vary significantly depending on context, the social and economic changes that are connected to mining activity, such as family abandonment, land loss, the changing status of women based on changes to traditional land-based roles, and frustration related to lack of economic opportunity can all increase the risk of GBVH.

Their implication in community gender-based violence can be a serious reputational concern for mining companies, as well as damaging community relationships. In Papua New Guinea, for instance, Barrick faced allegations of sexual assault on the



part of security staff against local community women. Following allegations of sexual assault, and then criticism for low payouts to survivors, Barrick paid undisclosed sums to a smaller group of survivors who refused the initial payout and accompanying agreement not to seek further damages.⁴⁵ In addition to direct costs, companies must be attuned to the major reputational issues with shareholders and government, threats to social license nationally and within the community, and challenges in attracting and retaining female employees that can be associated with allegations of gender-based violence.

5. Strategies to Address Gender Gaps

Companies that want to avoid the risks associated with lack of gender diversity and maximize the benefits and opportunities of greater gender inclusion can follow a number of strategies to increase representation of women throughout their operations. The following suggestions are aimed at mining companies committed to improving gender equity on-site and throughout the company, as well as in their supply chains and community engagement:

- Increase representation of women in the mining sector workforce, through improvements to recruitment, retention, and promotion of women: While it can be difficult for companies to challenge and overcome the longstanding tradition of a male-dominated workforce, as discussed above, doing so can have clear benefits in the short and longer-term.
 - Recognize biases and challenges keeping women out of the sector, and opportunities for improvement: To improve recruitment, retention, and promotion of women, the most important precondition is for mining companies to understand the bottlenecks, challenges, and opportunities for women's equitable inclusion and advancement. Is it a lack of women applying, or few women getting through the application process? Are women advancing equitably with men, or are women dropping out at key life and career milestones? Are facilities and infrastructure equitably available for all genders—from uniforms to safe changing rooms and ergonomically appropriate equipment? Are there effective whistleblower and grievance reporting mechanisms to ensure that companies have an ongoing understanding of challenges faced by staff? A Gender Audit (See TOOL 1.3: Gender Audit: Introduction, Process, and Tools, and TOOL 1.4: Terms of Reference for Gender Audit), especially when combined with a participatory monitoring tool like a Gender Scorecard (See **TOOL 1.5: Employee Scorecard**), can help companies to understand where they can improve and how.



WORLD BANK GROUP SDG SWATCH COMMENSION OF International Finance Corporation WORLD BANK GROUP SDG SWATCH COMMENSION OF International Finance Corporation WORLD BANK GROUP SDG SWATCH COMMENSION OF INTERNATION OF

- Harmonize and standardize the 'Rules of the Game': Where gender diversifying
 a workforce may represent a significant shift from the status quo, empower
 employees by clarifying behavioral expectations, targets, and sanctions, and
 provide staff with training to clarify what is and is not acceptable. Establish
 gender equity policies that support all genders to succeed. Beyond a gender
 equity strategy and supporting policy, consider policies that support women and
 men, such as family-friendly workplace policies (See TOOL 1.11: Develop Human
 Resources Policies and Programs to Support a Gender-Inclusive Workforce)
 and gender equitable virtual workplaces (See TOOL 1.16: Supporting Gender
 Equity in Virtual Workplaces). Set clear targets (See TOOL 1.12: Set Gender
 Recruitment Targets) for gender equity so that everyone in the company is
 aware of the goals and how everyone is responsible for helping to meet them.
- Empower staff to be engaged and vocal: Consider establishing a Gender Task Force (See TOOL 1.15: Creation of a Gender Task Force and Terms of Reference for a Gender Task Force) to create a liaison body between mining company management and staff to facilitate conversation and two-way information flow. Explore how unions can be partners for uniting and amplifying staff voices.
- Invest in the Talent Pipeline: Many mining companies are able to bring in junior talent but fail to retain and/or promote them to senior leadership positions. Invest in the pipeline through mentorship and sponsorship (See TOOL 1.20: Sample Mentoring/Mentee Agreement) and career development programs (See TOOL 1.21: Guidelines for Developing Women's Careers and Leadership). Invest in clear succession planning and identify bias in promotions and training opportunities, including designing management KPIs to assess the extent to which managers are equitably supporting female and male staff to access these opportunities. Ensure all career development programs are equitably available and accessible, so that even junior staff feel that the company is invested in their success. Also, consider investing in potential local staff (i.e., not only those already employed, but in creating a local pipeline, through scholarships, outreach and mentorship, and investment in local education and training opportunities).
- Use data collection to identify issues and track the impact of investments: Data collection is a key, and often under-emphasized, element in gender programs. In trying to identify gender issues, companies often lack the baseline data to effectively identify issues—for instance, many companies do not retain data on gender in the supply chain or key gender metrics around recruitment, such as how many women serve on interview panels, the gender breakdown of applicants, and the relative success rates of male and female candidates. Furthermore, where companies are invested in creating change, tracking the

RED BANK GROUE

SDG >>>>

Fias

UMBRELLA FACILITY

WORLD BANK GROUP

impact of investments—for instance, the extent to which specific interventions change metrics around applications, hiring, promotions, and retention, where women are progressing vs. not, or how changes in procurement policies impact tenders over time—is critical to determining what is working.

2. Increase representation of women in the mining supply chain.

- Understand supply chain diversity challenges and opportunities: Companies that
 want to improve their ability to benefit from increased supply chain diversity
 need to invest in understanding the current bottlenecks and challenges, including
 improving monitoring of how many suppliers are women owned, whether there
 are aspects of the procurement process that exclude small women-owned
 businesses, or whether the local supplier environment is itself imbalanced. (See
 TOOL 2.2: Self Assessment of Supply Chain Gender Diversity and Inclusion.)
- Create commitment to supply chain diversity: Developing a business case specific to a particular company—outlining the specific opportunities of diversification and costs of failing to diversify—can generate buy-in across the organization. (See TOOL 2.4: Developing the Business Case for Increasing Engagement with Women-Owned Businesses.) Once buy-in is secured, a company code of conduct can help clarify expectations and further solidify support. (See TOOL 2.5: Developing a Code of Conduct for Increasing Engagement with Women-Owned Businesses.)
- Support development of local women-owned businesses: In many instances, the challenge of supplier diversity is rooted in social, cultural, and economic factors that make it harder for women to start businesses—including limited personal property rights, lack of access to finance, limited hard and soft business skills training, and a lack of coaching. Companies can develop programs that combine procurement and community engagement approaches to provide coaching or support to local women entrepreneurs to create more opportunities to enter the supply chain.
- Improve engagement with women in host communities.
 - Understand community engagement challenges and opportunities: The most fundamental challenge of increasing the voice and representation of women in the community engagement process is understanding whether and how women are currently engaged, their perception of their own voice and empowerment, and the challenges they perceive to equitable participation. Creating authentic and accessible opportunities to hear from the disenfranchised is the necessary first step to bringing their voices into the conversation. TOOLS 3.2–3.6 provide useful strategies and guidance for conducting self-assessments and adapting existing assessments to create more opportunity for diverse voices.

RED BANK GROUE

SDG >>>>

Fias Interactive UMBRELLA FACILITY SERVICES

WORLD BANK GROUP

- Understand and address gender-specific concerns: In the course of consultations where men's and women's voices are heard equitably, they are likely to surface different concerns, requiring gender-sensitive solutions. Ensure that community engagement approaches include grievance mechanisms designed to ensure that everyone can access them (See TOOL 3.10: Ensure Gender Sensitivity in Participatory Monitoring and Evaluation and Grievance Mechanisms), as well as gender-informed programs such as livelihoods restoration (See TOOL 3.9: Guidance Note on Gender-Responsive Livelihoods Restoration) and resettlement programs (See TOOL 3.11: Design a Gender-Sensitive Resettlement Process). And finally, beyond mitigation, create community development and local economic empowerment programs that respond to and address the needs and opportunities of both women and men. (See TOOL 3.12: Create Community Development Initiatives that Benefit Both Men and Women and TOOL 3.13: Create Local Economic Development and Empowerment Opportunities for Women.)
- **4.** Reduce incidences and improve support services for survivors of gender-based violence, harassment, and bullying.
 - Understand key concerns related to on-site violence and harassment: To address gender-based violence, as well as more general bullying and harassment that can impact the workforce, the key first step is understanding the issue. However, more than with any of the other issues above, even the research to understand concerns around violence and harassment needs to be conducted with the utmost sensitivity and professionalism to avoid retraumatizing survivors or creating an environment where anyone feels exposed or vulnerable. It is highly recommended that once the decision is taken to conduct a respectful workplace assessment, trained professionals are contracted to undertake the assessment. (See TOOLS 4.7 and 4.8). With their support, companies can better assess the risk of violence and harassment at project sites and in the community and begin to identify the key risk mitigation and support measures necessary.
 - Develop tools to prevent GBVH and create a respectful workplace: Addressing GBVH and creating a more broadly respectful workplace requires a multifaceted approach, including developing policies, training staff on what constitutes GBVH, harassment and bullying, and developing appropriate whistleblower and grievance mechanisms to address it when these do occur.
 TOOL SUITE 4 includes steps for committing to address GBVH and model respectful behavior (TOOL 4.9), identifying key staff to serve as GBVH focal points (TOOL 4.10), guidelines for GBVH focal point training and self-care (TOOLS 4.11 and 4.14), sample policies for GBVH and respectful workplaces (TOOL 4.12), and communication strategies to raise awareness (TOOL 4.13).

SDG >>>>

Fias Interactive UMBRELLA FACILITY FOR MUSSION

WORLD BANK GROUP

Outlining clear policies informs staff of expectations for their behavior and consequences for any violations, training equips and empowers staff to be able to adhere to those policies, and a grievance mechanism can support staff who experience GBVH and enable them to hold other employees accountable to policies. Critically, ensure that all programs to address respectful workplace issues and support employees are survivor-centered.

Conclusion

Mining companies have a tremendous opportunity and untapped resource available to them in the form of the women in their communities and workforce. By recognizing the potential for strengthening the workforce, supply chain, and their ability to understand and address local concerns, as well as working to uncover and address biases endemic to the industry, the mining sector has the chance to lead the way on a significant shift, while benefitting in the process. While mining may be one of the more challenging sectors in which to move the needle on gender equity, more and more firms are rising to the challenge. Firms that resist these shifts will not only lose potential applicants, but also competitive advantage. The tools in this toolkit can help companies to benefit from this growing trend, wherever they currently find themselves in the process.



APPLICABLE PERFORMANCE STANDARDS

PERFORMANCE STANDARD 1: Assessment and Management of Environmental and Social Risks and Impact

Environmental and social responsibility is critically important in today's global economy. PS1 requires that environmental and social impact assessments include a gender assessment, and that gender differentiated risks and impacts are considered and integrated into the design, development, and management of projects. It also requires that projects consult both women and men during all phases of project development. All projects should also have Grievance Redress Mechanisms that allow ALL people to report grievances without fear of reprisal and anonymously.

PERFORMANCE STANDARD 2: Labor and Working Conditions

For any business, its workforce is its most valuable asset. A sound worker-management relationship is key to the success of any enterprise. PS2 requires that all projects abide by an equal opportunity and non-discrimination policy; this must be supported by the availability of a grievance redress mechanism that allows workers to report incidents without fear of reprisal. PS2 also requires that employers respect local employment laws with regards to specific provisions pertaining to maternity leave, working hours, and acceptable pay, and exceed minimum standards – for example, by having lactation rooms, work rotations for pregnant employees, etc.

PERFORMANCE STANDARD 3: Resource Efficiency and Pollution Prevention

PS3 recognizes the potential pollution and resource use that accompanies industrial activity, including mining, and provides guidance to companies for avoiding or mitigating these effects. While PS3 omits reference to women, women are often in a position that makes them uniquely vulnerable to pollution and resource use, and/or especially able to benefit from improvements in resource use. For instance, in their roles as water collectors and laundresses, they are particularly vulnerable to water pollutants, but as fuel collectors and cooks, able to benefit from improvements in clean energy access. Furthermore, reduction in pollutants through PS3 also has the potential to benefit women specifically through reduction in chemicals that have been linked to medical issues in women, for instance related to miscarriage, breast cancer, and other issues.⁴⁶

PERFORMANCE STANDARD 4: Community Health, Safety, and Security

Business activities and infrastructure projects may expose local communities to increased risks and adverse impacts related to worksite accidents, hazardous materials, spread of diseases, or interactions with private security personnel. PS4 requires companies to consider genderdifferentiated risks and impacts, adopt responsible practices to reduce such risks including through emergency preparedness and response, security force management, and design safety measures.

RED BANK GROUE

SDG >>>>

18 ENGINEERING INCLUSIVITY: INFRASTRUCTURE FOR EVERYONE Comm Dev

Fias CLITY FOR INVESTMENT CLIMATE ADVISORY

PERFORMANCE STANDARD 5: Land Acquisition and Involuntary Resettlement

When companies seek to acquire land for their business activities, it can lead to relocation and loss of shelter or livelihoods for communities or individual households. Involuntary resettlement occurs when affected people do not have the right to refuse land acquisition and are displaced, which may result in long-term hardship and impoverishment as well as social stress. PS5 advises companies to conduct a census survey, household analysis, and gender assessment to identify gender-differentiated needs in the resettlement process, to avoid involuntary resettlement wherever possible and to minimize its impact on those displaced through mitigation measures such as fair compensation and improvements to and living conditions. Active community engagement throughout the process is essential.

PERFORMANCE STANDARD 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

PS6 treats preservation of biodiversity and living natural resources. Mining projects can create a threat to biodiversity and living natural resources. As collectors of food and water, as well as reservoirs of traditional local knowledge, conservation of biodiversity and environmental preservation are of critical importance to women, and their active participation in environmental assessments, management, and remediation decisions is essential to effective preservation.

PERFORMANCE STANDARD 7: Indigenous Peoples

PS7 addresses the potential negative impacts of projects on indigenous peoples, including through risk of impoverishment and loss of identity, culture, and natural resource-based livelihoods. Women are often at greater risk for poverty, where social and economic norms jeopardize their financial independence, and women are also often the repositories and guardians of tradition and culture, placing extra burdens on them to maintain these in the face of changes brought about by natural resource projects. Ensuring their consultation and participation in mitigation measures can help ensure that they are not overly burdened, and reduce potential negative consequences.

PERFORMANCE STANDARD 8: Cultural Heritage

PS8 treats properties and sites of archaeological, historical, cultural, artistic, and religious significance. Similarly to PS7, women are often key custodians of information regarding these types of sites, so destruction or threat can place an extra burden on women tasked with preservation.





Endnotes

- ¹ Paul Mitchell, <u>"Top 10 Business Risks and Opportunities for Mining and Metals in 2022," EY, 7 October 2021.</u>
- ² Taylor Kuykendall and Katie Darden, "Few Women at the Top in Global Metals, Mining Sector," S&P Global Market Intelligence, March 2, 2022.
- ³ Vanessa Fuhrmans, "Companies with Diverse Executive Teams Posted Bigger Profit Margins, Study Shows," The Wall Street Journal, January 18, 2018.
- ⁴ 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.
- ⁵ Linda-Eling Lee, Ric Marshall, Damon Rallis, and Matt Moscardi, <u>"Women on Boards: Global Trends in Gender</u> Diversity on Corporate Boards," (MSCI, 2015).
- ⁶ Bloomberg NEF and Sasakawa Peace Foundation, *Gender Diversity and Climate Innovation*, 2020.

7 Ibid.

- ⁸ As measured by the amount of time spent on audit and governance functions, and the presence of more effective board procedures.
- ⁹ Leilani Latimer, <u>"Why Having Women on Boards is Better for the Environment,"</u> LinkedIn, April 19, 2022.
- ¹⁰ Newmont Mining Corp, *Leading Change, Focused on Value: 2021 Sustainability Report*, 70.
- ¹¹ Athalie Williams, <u>"The Road to Gender Balance,"</u> BHP, February 2022.
- ¹² Umut Riza Ozkan and Clare Beckton, "The Pathway Forward: Creating Gender Inclusive Leadership in Mining and Resources," Center for Women in Politics and Public Leadership, Ottawa: Carlton University, 2012, 30.
- ¹³ Sue Duke, "The Key to Closing the Gender Gap? Putting More Women In Charge," World Economic Forum, Nov 2017.
- 14 IFC, Investing in Women's Employment: Good for Business, Good for Development, Washington, DC: IFC, 2013, 20.
- ¹⁵ Women in Mining Canada, Welcoming Women: An Action Plan for Canada's Mining Employers, Toronto: WIM Canada, 2016, 7.
- ¹⁶ Rossana Barragan Romano and Leda Papastefanaki, <u>"Women and Gender in the Mines, Challenging Masculinity</u> through History: An Introduction," International Review of Social History, Volume 65, Issue 2, August 2020, pp 119-230.0
- ¹⁷ Elizabeth Broderick, *Report into Workplace Culture and Rio Tinto*, Elizabeth Broderick & Co, 2022.
- ¹⁸ James Wilson, <u>"BHP Aims for 50% of Workforce to be Women by 2025,"</u> Financial Times, October 19, 2016.
- ¹⁹ McKinsey and Company, "Why Women are Leaving the Mining Industry and What Mining Companies Can Do About It," McKinsey, September 2021.

20 Ibid.

- ²¹ Osler, "Diversity among Directors and Executives in Canada's Mining Industry," Oct 13, 2021.
- ²² McKinsey and Company, "Why Women are Leaving the Mining Industry and What Mining Companies Can Do About It," McKinsey, September 2021.
- 23 Ibid.
- ²⁴ Ibid.
- 25 Ibid.
- ²⁶ Rod Robinson, "Supply Chain Diversity: More than Quotas," Wharton Magazine, Feb 12, 2016.
- ²⁷ James Richens, <u>"Why Diverse Suppliers Hold the Key to Business Resilience,</u>" Reuters, Oct 6, 2020.
- ²⁸ Katie Abouzahr, Matt Krentz, John Harthorne, and Frances Brooks Taplett, "Why Women-Owned Startups are a Better Bet," BCG, June 6, 2018.
- ²⁹ Deloitte and BIAC, Putting All Our Ideas to Work: Women and Entrepreneurship, Paris: BIAC, 2015, 11, EY, "Scaling Up: Why Women-Owned Businesses Can Recharge the Global Economy," New York: EY, 2009, 4; IFC, "Putting Gender-Smart Commitments into Practice," 4.



- ³⁰ Paula Gonzales Martinez et al, "Cash Is Queen: Local Economy Growth Effects of Unconditional Cash Transfers to Women in West Africa," Geneva Graduate Institute, 2021.
- ³¹ Paul Mitchell, <u>"Top 10 Business Risks and Opportunities for Mining and Metals in 2022,"</u> EY, October 7, 2021.
- ³² John Strongman and Bernie Ward, <u>"Gender Sensitive Approaches for the Extractive Industry in Peru: Improving</u> <u>the Impact on Women in Poverty and their Families</u>," World Bank: Washington, DC, 2011. 69.
- ³³ While there isn't a universally accepted definition, social license to operate is the idea that there is more to running a business successfully and sustainably than legal and regulatory compliance, and that companies need to earn the support of the community and society in which they operate. It means ongoing acceptance by the people who live in the area of impact or influence of a project; it is also a form of risk management against delays, conflict, and additional costs (World Bank 2014).
- ³⁴ Rachel Davis and Daniel Franks, <u>Costs of Company-Community Conflict in the Extractives Sector</u>, Cambridge: CSR Initiative at Harvard Kennedy School, 2014, 8.
- ³⁵ Patricia Francis, <u>"We are Women, We are Strong:' Celebrating the Unsung Heroines of the Miners' Strike,"</u> *The Conversation*, March 9, 2018.
- ³⁶ PwC, <u>"What is Success in an Interconnected World?: Empowering Women to Empower the Earth,"</u> PwC, 2008.
- ³⁷ Elizabeth Broderick, *Report into Workplace Culture and Rio Tinto*, Elizabeth Broderick & Co, 2022.
- ³⁸ Tim Brunero, <u>"ANU Study Finds Most Women Working in Remote Areas Subject to Sexual Harassment,"</u> ABC News, May 8, 2015.
- ³⁹ Martin Kaggwa, <u>"Interventions to promote gender equality in the mining sector of South Africa,"</u> *Extractive Industries and Society*, 2019.
- ⁴⁰ Lucy Atim, Mesiya Mwangoka, Dr. Laura Martins, and Sophie Rickard, <u>Sexual and Gender-Based Violence in the</u> <u>Mining Sector in Africa</u>.
- ⁴¹ Elizabeth Broderick & Co, <u>"Report into Workplace Culture at Rio Tinto,"</u> February 2022, 6.
- ⁴² Business Fights Poverty, <u>"How Business can Tackle Gender Based Violence in the World of Work: A Toolkit for</u> <u>Action,"</u> 2019, 3.
- ⁴³ Frances Mao, <u>BHP Sacked 48 Over Sexual Harassment and Assaults at Australian Mines</u>, BBC, August 20, 2021.
- ⁴⁴ Catherine Wilson, "Gas Extraction Fuels Abuse in Papua New Guinea," IPS News Agency, April 16, 2012.
- ⁴⁵ Rick Feneley, <u>"200 Girls and Women Raped: Now 11 of Them Win Better Compensation from the World's Biggest</u> <u>Gold Miner,"</u> Sydney Morning Herald, April 4, 2015.
- ⁴⁶ Ergon Associates and CDC, <u>"Mapping Gender Risks and Opportunities for Investors in Africa and South Asia,"</u> July 2020.

For more information, please contact Adriana Eftimie (<u>aeftimie@ifc.org</u>) or Katherine Heller (<u>kheller@ifc.org</u>) or find out more at <u>commdev.org/infra-gender-toolkit</u>.

WORLD BANK GROUE

SDG >>>>

Comm Dev

Fias



UMBRELLA FACILITY WORLD BANK GROUP