OXFAM INDIA DISCUSSION PAPERS DECEMBER 2017

BANKING ON GENDER EQUALITY

How Financial Institutions Can Advance Gender Equality

What do financial institutions (FIs) have to do with gender equality? Far more than many realize. Enabling women's advancement is a critical element of sustainable finance and well within FIs' purview and responsibility. This paper identifies the four ways FIs impact gender equality: through the FI's governance approach; workplace hiring and employee support practices; engagement and protection of female retail customers; and mitigation of harms to women caused by FIs' loans and investments. The paper then explores gender-related risks and opportunities for women as well as FIs that occur in each of these four spheres of activity.

Written by Marian G. Ingrams

Oxfam India Discussion Papers

Oxfam India Discussion Papers are written to contribute to public debate and to invite feedback on development and humanitarian policy issues. They are 'work in progress' documents, and do not necessarily constitute final publications or reflect Oxfam India policy positions. The views and recommendations expressed are those of the author and not necessarily those of Oxfam India.

For more information, or to comment on this paper, email namit@oxfamindia.org

www.oxfamindia.org

ऑक्सफैम इंडिया
OXFAM
India

SUMMARY

Sustainable finance is a branch of the global sustainable business movement that calls on financial institutions (FIs) to improve their business conduct and client due diligence in respect of environmental, social, and governance (ESG) concerns. Since the start of the sustainable finance initiative, many global FIs have begun promoting sustainability at the governance level, and some are starting to include environmental considerations in their risk analyses. Yet FIs do not give social impacts its due importance. Despite its importance as a human right and Sustainable Development Goal, gender equality is one social issue that is overlooked, even though FIs particularly benefit when women are fully enabled in society.

Many FI directors might question what influence they have on achieving gender equality, and why they should want to promote better outcomes for women. This paper seeks to provide an answer by exploring how FIs do already have an impact on women's equality throughout their business activities, and discussing onwhy and how FIs can improve that impact to their own and women's benefit.

Because no comprehensive guidance exists on gender equality for the financial sector, this paper highlights key considerations. First, drawing from existing guidance on ESG (generally) for FIs and on gender (specifically) for all companies, the paper identifies the four areas of FIs' business practices in which gender-focused ESG reforms can most helpfully occur: in an FI's governance approach, workplace practices, retail consumer support and outreach, and due diligence of larger client relationships. The paper then explores gender-related opportunities and risks that occur for women as well as FIs in each of these business areas:

- At the *Leadership and Governance* level, FIs can reap economic, management, and reputational benefits from mainstreaming gender equality as a value throughout all aspects of their business, promoting women into board and senior positions, and increasing transparency on gender-related statistics, policies, and action plans;
- In their *Workplace Practices*, FIs can raise profits, reduce costs, and achieve greater innovation by embracing women's perspectives, ensuring equal pay for equal work, and prioritizing women's professional advancement, well-being, and work-life balance;
- Through their *Consumer Protection and Outreach*, FIs can become innovators and brand leaders by designing new products and services for women, expanding their market reach and women's financial access while ensuring gender-sensitive consumer protections; and
- In their *Due Diligence of Clients*, FIs can proactively avoid costs and build their reputation by financing *good* business, embedding into their lending and investment decisions social risk analysis methods that engage women's perspectives and address harms to women both as workers and as community members impacted by FIs' transactions.

To help illustrate the arguments above, the paper highlights practices of Indian banks as a case example of where the financial sector's strengths and opportunities for improvement lie. The paper's goals are to elevate the importance of gender equality as a social issue within the ESG frame, and spark discussion on the financial sector's particular responsibilities and business opportunities in advancing women.

1. SUSTAINABLE FINANCE OVERVIEW

Conceptions of Sustainable Finance

The sustainable finance movement began in the 1990s in the context of broader responsible business conduct (RBC) reforms. Over the years, the term "sustainable finance" has taken on a few meanings. At one level, sustainable finance means the incorporation by financial institutions (FIs) of environmental, social, and governance (ESG) due diligence into all their business activities, in part to encourage their financed clients to act more sustainably.[1] At another level, sustainable finance means the use of private financing to fund new sustainable industries such as green energy, or the new United Nations (UN) Sustainable Development Goals (SDGs).[2] Finally, sustainable finance contemplates reform of the financial system itself, which has evolved in significant and at times harmful ways over the past few decades.[3] All three meanings are valid and explored to some degree in this paper, but the paper's focus is on the first definition.

Developments Defining the Scope of Sustainable Finance

The sustainable finance movement began in 1992, with the first United Nations (UN) statement for banks on sustainable development.[4] Over time, increasing guidance from the UN, the World Bank, and other influential actors is expanding the types of financial transactions, scope of business relationships, and range of ESG concerns FIs should analyze.[5]

Two events in the last decade have drawn greater focus to sustainable finance within the RBC field. First, the 2008 financial crisis exposed how modern financial theory had transformed the financial system from a "reasonably straightforward support service[]" for economic exchange into a "complex, highly quantitative…science" that incentivized risky speculation, prioritized short-term gains over long-term social investment, and enabled vast concentration of financial wealth in few hands without equivalent value creation in the real economy.[6] In addition to exposing such structural flaws in the foundations of the financial system, the crisis also revealed how deeply the system now permeates all segments of the world economy, such that instability in financial markets has devastating impacts on social and economic rights around the world.[7]

Second, not many years after the crisis, the 2015 adoption of the Sustainable Development Goals (SDGs) heightened the debate on the role and responsibility of the financial sector in achieving sustainable development. On the one hand, private finance, which is already greater than government development assistance in 30 percent of low-income countries, is increasingly looked at to fill the estimated $2.5 trillion SDG investment gap.[8] On the other, new awareness of the sector's global reach has caused policy makers to seek to use FIs' influence over the industries they fund to help mitigate broader social ills – poverty, corruption, inequality – once thought external to finance.[9]

That is where the sustainable finance movement stands today: with hope both that the sector can *fund* sustainable growth, and also *be* sustainable growth by shaping its own and its clients'

practices to better address environmental and social impacts, such as promoting gender equality.

Indian Sustainable Finance Movement

India's RBC movement included the Indian financial sector from the very outset, and the sector remains a key target for ESG reforms. In 2007, the Reserve Bank of India issued its first circular on the important role banks can play in achieving sustainable development.[10] By 2011, India's Ministry of Corporate Affairs had released National Voluntary Guidelines on Social, Environmental and Economical Responsibilities of Business (NVGs), guiding all types of Indian businesses in sustainability practices.[11] In 2012, with reference to the NVGs, the Securities Exchange Board of India (SEBI, an important regulatory pillar of the Indian financial sector) began requiring the top 100 companies listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) to address a range of RBC indicators in their annual report filings.[12] SEBI extended that requirement to the top 500 listed companies in 2015,[13] the same year the Indian Banking Association released targeted NVGs for Responsible Financing, outlining eight principles to guide all types of Indian FIs towards improving their ESG impacts.[14]

The Indian Parliament also advanced RBC by passing an amended Companies Act in 2013. In an effort to counteract the low inclusion of women on Indian companies' boards,[15] the Act requires every listed company and certain other public companies to appoint at least one female director.[16] The Act also requires larger companies to establish board-level corporate social responsibility (CSR) committees and spend at least two percent of average net profits on CSR projects or explain their failure to do so.[17] One small problem with the Companies Act is that its quotas on the number of female directors and amount of profits to be given to charity may be treated as ceilings or even aspirational goals by some Indian FIs, instead of the floors they are intended to be. A more serious problem with the Act is that its CSR requirements are at once precocious and regressive. Requiring companies to donate a portion of profits to social causes is positive. However, linking "philanthropy" and "corporate social responsibility" perpetuates the misunderstanding that the two terms are synonymous. Globally, the term "CSR" has fallen into disfavor, because a corporation's responsibility is now understood to encompass far more than charity. The new moniker "responsible business conduct" conveys that *all* of a company's conduct, including its profit-oriented conduct, must be ethical and responsible. In India, disclosures of Indian FIs suggest many still approach CSR and sustainability solely through their philanthropic or foundation activities, rather than embedding sustainability as a goal of their business practices.[18]

The Indian financial sector is both one of the largest and fastest growing of the Indian economy, with deposits reaching 1.54 trillion in FY2017, representing about 60 percent of the GDP.[19] Publicly owned banks control more than 70 percent of banking assets.[20] Nevertheless, since liberalization in the 1990s, private FIs including private banks, insurance companies, mutual funds, and venture capital firms have multiplied in India.[21] Because public and private banks comprise the largest segment of the financial sector at 64 percent, this paper provides case examples from Indian banks rather than other Indian FIs.[22]

2. PIECEMEAL PROGRESS TOWARDS FINANCIAL SUSTAINABILITY

FIs in India and around the world are beginning to address ESG concerns in their practices, but they are doing so in a somewhat halting and uneven manner. First, FIs have been reluctant to accept that they do in fact have responsibility to monitor and mitigate human rights harms caused by their business clients. Second, as FIs have started to adopt ESG risk management practices, they have focused almost entirely on addressing their own and their clients' environmental, but not social, impacts.

Slow Adoption of ESG Due Diligence

The first way in which FIs' progress towards financial sustainability has been piecemeal is that FIs have been slow to adopt sustainability frameworks that encompass all aspects of their business, including especially due diligence of larger clients and projects. At the start of the sustainable finance movement, FIs resisted the idea that they could be connected to the harmful effects of the activities they fund. Instead, FIs considered their zone of responsibility to be limited to their workplace activities and products. Because FIs' products are intangible financial instruments, it was hard for FIs to understand how their products could be harmful in the way dams, mines, or chemicals could be. Further, FI directors often believed the fiduciary duties they owed to their clients and shareholders prevented them from undertaking ESG risk analyses.[23]

Over time, several sustainable finance initiatives have been effective in showing FIs that "[b]y virtue of their role as financiers of the real economy, banks are de facto exposed to credit, reputational, legal, operational, and market risk that is driven by environmental and social (E&S) issues that affect their clients and customers."[24] Because FIs understand that these impacts can be material, it is now "no longer controversial" in the sector that a fiduciary should take account of ESG issues in its selection and monitoring of clients and investments.[25] Another important development has been the creation of the UN Guiding Principles, internationally endorsed principles on business' responsibility to respect human rights. The UN Guiding Principles assert that all businesses, including FIs, have a responsibility not only to "[a]void causing or contributing to human rights abuses in their own activities," but also to "[s]eek to prevent or mitigate adverse human rights impacts that are directly linked to…their business relationships, even if they have not contributed to those impacts."[26] A few helpful reports, such as by the UN Environment Programme Finance Initiative (UNEPFI) and the Thun Bank Group, a group of banks interested in the UN Guiding Principles, have offered practical insight on how the Principles apply to FIs. The conversation on sustainable finance has thus passed the stage of asking *whether* FIs' have a responsibility to monitor their clients' conduct, and now explores the scope of business relationships, range of financial transactions, and types of ESG concerns FIs must monitor. Despite the evolution in the international guidance on sustainable finance, however, many FIs continue erroneously to believe that they have no responsibility for the human rights impacts of their clients.

Insufficient Focus on Social Issues

Another way in which FIs' uptake of ESG considerations has been patchy is that they are giving social issues far less consideration than either governance or environment-related reforms, within the ESG frame. There are a few reasons for this.

For one, governance-level reforms are occurring in part because regulators, including in India, are starting to require greater reporting on business responsibility metrics, or better board committee oversight of charitable or sustainability practices.[27] These actions are driving a focus on sustainability from the board level down.

Environmental considerations are also receiving greater attention than social ones for a couple reasons. First, many consider the term "sustainability" to refer solely to *environmental* sustainability. As one study on the rise in sustainability reporting in the financial sector observes, "despite its growing importance, sustainability is still an ambiguous concept," something that allows businesses to "choose which of the various expectations they wish to fulfill and how they wish to report about them."[28] The term "sustainability" has been associated with the environment longer than it has been with social concerns, and the study finds that environmental issues dominate FIs' ESG reporting.[29] Many guidelines on sustainability prepared by advocates purport to discuss "sustainable finance" generally, but focus almost singularly on environmental concerns, exacerbating the confusion over the term's true scope.[30] Such guidelines often reflect the environmental expertise of the drafters, indicating that more dialogue is needed on the social elements of sustainability. The greater focus on environmental over social risks is unfortunately echoed in the highest regulatory frameworks for banks. The most recent Basel III Accord, an internationally accepted model for bank regulation updated after the 2008 financial crisis, newly requires banks to monitor the environmental hazards of certain transactions, but fails to discourage banks from taking on transactions that cause serious social or human rights harms.[31]

Finally, targeting environmental rather than social risks may seem more feasible – and more profitable – for FIs. It cannot be denied that there appears to be more money to earn, and earn quickly, in the green investment business, as the proliferation of new green investment products demonstrates. FIs have been quick to fund new green industries, but slower to encourage other sectors to improve their harmful social impacts. While investments in social infrastructures are also profitable, some take more time than tolerated by modern financial models to bear fruit. Perhaps more importantly, many investments to reduce social inequalities can be profitable right now, but research to identify those gains has lagged comparatively.

3. GENDER AND SUSTAINABLE FINANCE

Insufficient Focus on Gender by Companies Including FIs

One social issue that deserves much more attention is gender equality, given its critical importance as a human right and SDG, and the clear business benefits from increasing gender diversity. Gender means "socially constructed identities, attributes and roles for women and men" that shape what is "expected, allowed and valued" in men and women in society.[32] Gender inequality harms women as well as transgender individuals, and also often correlates with discrimination on grounds of sexual orientation. Because this paper draws from the existing, often women's equality-focused, advocacy guidance for companies, its focus slants towards women's equality within gender equality. However, as dialogue on social sustainability for FIs develops, Oxfam India will support broadening awareness, discussion, and collaboration to promote more comprehensive approaches to gender inclusion.

A study in a mining sector found that gender was the sustainability issue least-mentioned by companies, and that when it was discussed, it was mentioned in relation to employment only and not community engagement or supply chain management.[33] A 2008 academic study of top listed companies in the United Kingdom, United States, and Australia found that while gender-related performance reports often identify the basic ratios of women in company workforces and boards, there is much less reporting on issues such as recruitment, retention, training and career development, equal pay for equal work, and women's representation in non-traditional jobs.[34] Moreover, research on codes of conduct of multinational companies found the codes rarely involve women in their design, implementation, and monitoring, and seldom cover issues such as maternity leave and reproductive health, and most critically, "fail to deal with deeply embedded structures of inequality, such as…segmentation of women into the lowest paid and more insecure jobs" across many industries.[35]

FIs, too, focus less on gender issues than other sustainability issues. For example, a 2013 survey of the actual current approaches of FIs to evaluating the environmental and social risks of their clients' practices does not list gender as one of the social harms studied by the surveyed FIs, while child labor, occupational health and safety, and forced and compulsory labor were.[36]

In this paper, we adopt gender as our lens and focus for several reasons.

Women's Equality as a Human Right and SDG

The first reason we focus on gender is that several international conventions as well as the Indian constitution guarantee women equal right as men to all political, civil, economic, social, and cultural rights.[37] Given this, it is unacceptable that women continue to suffer higher rates of poverty (women, especially single mothers and older single women, face much higher poverty rates than men[38]), lower educational attainment (women and girls have equal access to education in only 25 countries[39]), and greater violence (one third of women suffer gender-based violence[40]) than men. Gender inequalities are rife in respect of labor participation and career mobility, and access to

finance. India ranks 131st out of 188 countries in terms of gender inequality.[41] In a 2015 study, India was found to experience serious inequalities in gender equality in work and society, in legal protections and political voice, and in physical security and autonomy, in line with less-developed countries in the Middle East and North Africa.[42]

Rectifying these gender inequalities enables achievement of equal human rights. It is a goal of sustainable development in and of itself[43] and also "as an instrument for development" because of the ample evidence showing that when women achieve better health, or financial independence, or higher education levels, or representation on political bodies, these achievements have immediate and long-term benefits for children, households, and society.[44]

Women's Equality as a Booster of GDP and Benefit to FIs' Bottom Line

A second reason we focus on gender equality is to highlight the still poorly known data on the link between gender equality and economic growth at a state level and company level.

Serious lack of understanding persists about the well-researched linkage between reducing gender inequality and raising economic growth.[45] Too many, especially in India, view supporting women's advancement as a mere charity to women, having no particular benefits for the economy at large. In fact, patriarchal norms restricting women to the home or to informal types of work do not just hurt women. They hurt companies and the economy. Occupational segregation of women into different economic sectors and positions not only causes significant gendered wage gaps, but also serious market costs including rigidities in the labor market, underuse of female labor, and lower levels of output and future growth rates.[46] In line with this economic evidence, gender inequality levels across Indian states are highly correlated with states' GDP, with states that suffer worse gender inequality also having very low GDPs (such as Bihar and Uttar Pradesh).[47] McKinsey estimates that achieving gender parity would enable India to boost its GDP by $2.9 trillion in 2025, a full *60 percent greater* than expected growth under business-as-usual practices.[48] Seventy percent of the GDP growth would arise from increasing women's labor force participation by just 10 percentage points, bringing 68 million more women into the economy.[49] FIs particularly, as investors in the economy, have much to gain from a gender-equal society, which has been shown time and again to be linked to higher growth.

Even within single businesses, by now much evidence shows that companies – including FIs – with more women on their boards have higher returns on equity, net profit margins, and earnings per share,[50] as well as lower volatility.[51] Workplace diversity is a primary indicator of company sales revenues, numbers of customers, and profitability.[52] Moreover, the better a company is at promoting women generally, the more profitable it tends to be.[53] Employee turnover can be very costly for companies, and taking steps to support women workers professionally (through promotion, trainings and mentoring, and workplace safety) and personally (through parental leave, flexible schedules) can be very effective in reducing those costs.[54] FIs stand to benefit directly from promoting their own internal gender diversity. They also stand to benefit from investing in other companies that promote internal gender diversity.

In addition to the benefits from workplace diversity, FIs would also gain from expanding women's access to finance. A gender gap in financial access persists for all women including female entrepreneurs. Many banks, including in India, approach women's microfinance as a charitable

duty. Just a few innovative banks are starting to understand financial inclusion as a chance to reach a large and reliable new customer base if the banks can creatively meet women's unique needs and ensure appropriate and effective consumer protections.[55]

From the opposite angle, an FI's engagement with a business that is harmful to women – such as one exposing women to chemicals damaging to themselves or their fetuses, or providing them less than minimum wage – could expose FIs to serious reputational and other costs.

Elucidating the Link between FIs and Women's Equality

Finally and critically, we focus on gender equality because there is still a pervasive awareness gap on how the financial sector, particularly, and gender equality intersect. Leading statements or principles on sustainable finance do not address gender concerns specifically.[56] Beyond principles and statements, many reports and guidelines on sustainable finance do not at all or barely mention gender.[57] Some guides or standards do incorporate a few helpful gender-related topics. Examples of such are the Fair Finance Guide International (FFGI, a guide to help FIs address various ESG risks in their financial activities), the Equator Principles (a risk management framework to help FIs consider ESG risks in the projects they fund), and the International Finance Corporation (IFC) Performance Standards (requirements that companies receiving IFC financial support must meet). However, they do not comprehensively cover all gender considerations. Indeed, a framework is needed solely targeting the nexus between gender equality and finance.

Why is there a disconnect in associating gender and finance? In part, gender equality is missed as a sustainability issue in many industries, and because banks' own impacts often occur through clients, the economy-wide oversight implicates banks. Women are so much a part of every environmental and social issue that their unique needs get lost. Women workers are subsumed in a "labor rights" lens; female villagers' voices go unheard at gender neutral "community engagement" sessions; women consumers' preferences are overlooked as the average males' are taken for generic. In relation, companies' use of overly inclusive language such as "community engagement" in ESG reporting "masks the gendered nature of many sustainability issues."[58]

Further, the financial sector has been dominated by men globally, and some common mindsets on gender may lead FI directors not to perceive how their own companies impact women. As the International Labour Organisation notes, policy makers often do not see women as "agents of social change and economic development" but rather as "in need of social assistance," a bias reflected in institutional separation of economic and social policies.[59] Many Indian FIs consider women mainly in connection with their CSR platform and not as melded into their business and investment decisions. Moreover, because women's inequality is so pervasive and entwined with social norms and business structures, FIs may believe it is beyond their power or responsibility to help. That perspective is short-sighted, overlooking serious costs to FIs from perpetuation of society's status quo. The business community often has greater influence than the government in shaping social views through its actions and publicity. As this paper outlines, FIs are in a prime position to benefit by promoting women across their own activities and in society broadly.

4. BASIC PILLARS OF GENDER MAINSTREAMING FOR FIs

The chapters above have endeavored to explain the gap in understanding, and need for greater dialogue, on how the financial sector can advance gender equality. The remainder of this paper offers considerations and steps to help FIs better advance women throughout *all* aspects of FIs' business practice. Chapter 4 draws from existing guidance on ESG (generally) for FIs and on gender equality (specifically) for all companies, to preliminarily identify the four key areas of FIs' business practice in which gender-focused ESG reforms should occur: in an FI's **leadership and governance**, **workplace practices**, **consumer protection and outreach**, and **due-diligence of clients**. Chapter 5 will then expand on this frame, offering suggestions and justifications for how and why FIs should promote women's equality within each of the four pillars.

I. Leadership and Governance

If an FI wants to bring a greater focus on gender to its company, where can it begin? As with almost all company initiatives, change is strongest when it starts from the top with the vision, creativity, and commitment of the FIs' leadership. The leadership has the authority and influence to promote new company values and share them among employees by its own example. The leadership has the reach to ensure gender equality is prioritized in all areas of the business. The leadership can also make public commitments and ensure accountability to raise awareness and appreciation for the initiative among internal and external parties.

High-level leadership is consistently cited, in both general sustainability literature and gender equality guidance, as a critical requirement. UN Guiding Principle 16 emphasizes that businesses should express their commitment to meet human rights responsibilities through a statement of policy that is "approved at the most senior level of the business enterprise."[60] The Thun Bank Group interprets this requirement to mean, for banks, that senior management must set the "tone from the top" with regard to the FI's sustainability plan, because high-level endorsement will ensure "buy-in" from the many departments – from credit risk policy, to legal, to communications – that will need to assist implementation.[61] The UNEPFI *Guide to Banking Sustainability* similarly asserts that engagement by top leadership helps create a new company vision, foster a new corporate culture, and ensure accountability and transparency for a sustainability initiative.[62]

Leading guidance on promoting gender equality for companies uses very similar language in emphasizing the importance of establishing high-level oversight for gender-related reforms. The IFC and Global Reporting Initiative (IFC-GRI) 2009 practitioner's guide says that successfully promoting gender equality in a company starts with prioritizing diversity in management (namely, instating more women directors), and also calling on women and men managers to prioritize changing organizational culture and transparency around gender issues.[63]

II. Workplace Practices

Another key area for reform as regards gender equality is in an FI's workplace. Promoting women in the workplace is often where companies start to address gender equality. Reforming workplace

practices is widely recognized as critical to increasing women's workforce participation, and is undoubtedly part of an FI's general responsibility to respect human rights. Guidance for companies on achieving gender equality focuses extensively on workplace concerns. The IFC-GRI practitioner's guide identifies workplace practices as the second key area, after leadership, of focus for companies. The report calls on all companies to ensure equal opportunity in hiring and promotion for women, equal pay for equal work, equal access to training and mentoring for women, safe work environments, and support for employees' home care responsibilities through flexible working hours and parental leave.[64] The World Bank's Gender Equity Model (GEM) focuses strictly on workplace equality for women, establishing a four-step process for private companies to promote gender equity internally.[65]

Unsurprisingly, several reports on sustainable finance, which focus on environmental impacts of business transactions, overlook analysis of FIs' internal workplace practices as an element of their sustainability footprint.[66] Yet the UN Guiding Principles make clear that all businesses, including FIs, can cause human rights abuses directly through their own activities, such as by discriminating in hiring and promotion decisions as mentioned in the UNEPFI report *Banks and Human Rights: A Legal Analysis*.[67] The UNEPFI *Guide to Banking Sustainability* contains a chapter on ensuring a bank's sustainability initiative reaches its human resources practices, both in terms of training employees on sustainability (such as sensitization on comprehensive gender policies), and promoting "a sound work-life balance."[68]

Although workplace advancement of women is vital and a core pillar in this paper, it is also important for Indian FIs to understand that promoting women in the workforce is not all that is required of them to promote women's equality. In fact, it is just grabbing the low-hanging fruit. To really be players in sustainable finance, FIs need to promote gender equality throughout *all* of their company practices, including governance, customer outreach, and especially client due-diligence as further outlined in the remainder of Chapters 4 and 5.

III. Consumer Protection and Outreach

A third area in which FIs can have a more positive impact on women is in their consumer services, both by innovating to bring in more women clientele, and by ensuring better protections for women customers. Both topics, of financial inclusion and of improved consumer protections, are highlighted in the separate literature on sustainable finance and on gender equality.

The gender disparity in access to finance is high, including for women individuals and women small business owners. This raises opportunities for FIs. Some reports encourage banks and insurance companies to innovate new products and business models to reach underserved, poor women clients.[69] The IFC-GRI practitioner's report urges companies to consider the unique needs of women as consumers, instead of assuming the average male to represent both male and female customers. The report also calls on companies not to exhibit men and women in stereotyped gendered roles through their marketing or advertising.[70]

Yet these gender-specific opportunities come with gender-specific responsibilities, and other reports focus on the need for specialized protections for women consumers. A report on human rights and sustainable finance by the Institute for Human Rights and Business calls for special attention to higher risk of indebtedness and other harms when dealing with vulnerable clients,[71]

which women often are. The report highlights the need for FIs to ensure customers are not sold unsuitable products, misinformed by lack of transparency on fees, or denied grievance modes.[72] A report by the NGO Care also notes that financial inclusion of women must involve training in financial literacy, or it may not be effective for women or lenders.[73]

IV. Due Diligence of Clients

Finally, a fourth area of convergence between sustainable finance guidance and guidance on gender equality is in respect of due diligence of the impacts FIs' clients have on women both as workers in their factories and supply chains, and as members of the communities they touch.

Since the beginning of the sustainable finance movement in the 1990s, FIs have been asked to conduct due diligence of the harmful impacts of their business clients and reject investments that will cause undue environmental and social harms.[74] FIs are currently, typically, immune from legal liability for client activities under most domestic laws, and on that ground, FIs often assume that they have no responsibility for the activities they fund. But the lack of legal liability appears to be changing. Deepening international norms, and increasing attention of social investors and the wider public, are causing domestic lawmakers and regulators to place greater – legal – diligence responsibilities on FIs. In other words, the international norms are starting to influence domestic laws and regulations, in India as well as elsewhere. Ironically then, the longer FIs fight off responsibility, the more international bodies, investors, and consumers will demand it, and the more domestic lawmakers and regulators will saddle FIs with the legal responsibilities they fear. There is thus a strong argument that FIs should get ahead of the curve by proactively addressing ESG risks now, anticipating and maybe even shaping the legal duties that will be placed on them.

But setting liabilities aside, FIs *are* a critical link in every business chain: remove the funding, and the harmful practice stops. Instead of thinking of due diligence in terms only of avoiding costs and liabilities, why shouldn't FIs think of it as proactively choosing to fund *good* business? This need not mean choosing less profit. Why shouldn't FIs with moral vision use their influence to promote business that is conducted without harming workers and communities in the process?

In recent years, the UN Guiding Principles have outlined the responsibilities of companies to "[s]eek to prevent or mitigate adverse human rights impacts that are directly linked to…their business relationships, even if they have not contributed to those impacts."[75] The UNEPFI report *Banks and Human Rights: A Legal Analysis* explains what this means for banks. For an FI, business relationships "include relationships with borrowers, project partners, retail and commercial banking clients, and other entities, potentially including some more distant in the value chain."[76] Determining whether a harm is "directly linked" to a business relationship of the bank requires a case-by-case analysis, and the UNEPFI report offers a few guiding examples.[77] When a bank loans money to a company for the purpose of building a dam that will hinder river communities from obtaining a livelihood, that impact is directly linked to the relationship with the bank, because the bank is the source of the funding. Therefore, the bank has a responsibility to address the harms – including specific gender-related harms – of that dam. On the other end of the spectrum, a bank likely would not be implicated when it provides a loan to a company for operations in one country, and the company is charged for human rights impacts in another country. Unlike other risk analyses an FI may undertake, an FI will consider first what risks occur

to the rights holders (for this paper, the women) impacted by a client company, and next what risks the FI could incur itself from funding that client.[78]

An FI's responsibility for ESG due diligence will depend on the type of financial relationship shared and how much leverage FIs can wield over each relationship.[79] The Thun Bank Group points out that banks often have much less leverage than advocates popularly believe.[80] For banks, the amount of leverage varies greatly depending on the type of transaction engaged in. Yet because FIs face tangible risks from association with human rights risks, they do have an interest in using the leverage they have or, as the UN Guiding Principles suggest, increasing their leverage through contractual language, threatening to withhold future business, or offering risk-related advising to the client.[81]

There are many tools seeking to guide FIs in how to conduct ESG due diligence of clients, such as the Equator Principles and the OECD Guidelines for Multinational Enterprises.[82] But these only occasionally address impacts on women as workers and community members. Therefore, this paper expands that guidance by drawing from other sources that explicate an array of harms to women occurring across various industries. These gender harms should factor into the ESG analyses FIs undertake and the requirements they place on clients. The paper also identifies other ways an FI can enable women through its business relationships, such as by prioritizing investment to gender-diverse companies and seeking women-owned suppliers in its own chain.

5. DEVELOPING THE PILLARS OF GENDER MAINSTREAMING FOR FIs

The previous chapter identified the four core segments of FI business practice that are relevant for consideration in addressing gender equality: leadership and governance, workplace practices, consumer protection and outreach, and due diligence of clients. This chapter now explicates specific gender-related risks and opportunities that occur for women and FIs in each of these four business areas. Where applicable, the paper notes ESG responsibilities that arise across relevant financial services. In each section, practices of FIs, especially Indian banks, are woven in to show where the sector's strengths and opportunities for improvement lie.

Table 1: FI Practice Areas and Related Gender Equality Reforms

Leadership & Governance	Workplace Practices	Consumer Protection & Outreach	Client Due-Diligence
1. Mainstream gender focus: a. Make gender equality a company value b. Embed gender considerations into policies for all aspects of the FI's work 2. More women should be on the board of directors 3. Promote more women in senior management 4. Increase transparency to promote progress and accountability	1. Undertake a gender-self diagnosis 2. Increase recruitment of women and promote women employees 3. Establish and ensure a conducive work environment, through: a. equal pay for equal work b. training and mentoring of women employees c. change norms that intentionally or inadvertently exclude women d. strong sexual harassment policies for prevention and response e. safe commuting programs for women f. extended maternity and paternity leave g. access to child care services h. flexible work arrangements i. explore other supportive initiatives (alumni networking, etc.)	1. Extend financial access to women 2. Understand financial inclusion as a business, not merely a charitable practice 3. Innovate new products and services for women, by understanding women's diverse needs that are distinct from those of men and other women in different social groups 4. Ensure appropriate consumer protections for women	1. Prioritize gender equality with both suppliers and clients 2. Evaluate gendered risks associated with • clients • loans or project financing 3. Consider appropriate gendered due diligence for • investment activities • other financial activities 4. Evaluate gendered risks across various economic sectors *(e.g. Agriculture, Textiles & Garment, Electronics, Extractives, Infrastructure, Services, and Other Sectors)*

I. Leadership and Governance

Promoting gender in the leadership and governance of an FI means a few things: first, mainstreaming gender equality as a value in the policies for all four pillars of the FI's practice; second, increasing the number of women on the board and in other senior management positions; and third, being transparent about policies, goals, and achievements on gender equality.

1. Mainstreaming Gender Focus into All Business Practices

The first key element to promoting gender equality at the governance level is "mainstreaming" a focus on gender into all company policies. What is gender mainstreaming? Gender mainstreaming is the process of ensuring that women's actual voices and perspectives, as well as an overarching focus on gender-specific needs and consequences, inform every aspect of a business, a program, or an initiative.[83]

The first goal of gender mainstreaming is to publicly and internally set gender equality as a core value of the company. The UN Women's Empowerment Principles (WEPs) suggest that companies "establish high-level corporate leadership for gender equality"[84] as a means to ensuring gender equality is made a top value of the company. To ensure that gender equality becomes a value across all company activities, not just workplace practices, gender mainstreaming can be linked together with broader sustainability mainstreaming. This ensures not only that gender equality is truly understood internally as an aspect of sustainability, but also that gender equality is prioritized as a sustainability goal in non-workplace practices such as customer outreach and client due diligence. The Thun Bank Group and the UNEPFI *Guide to Banking Sustainability* suggest that sustainability efforts must draw staff from across all departments and staff levels, and have the internal authority and cross-departmental connections to establish sustainability policies that cover all areas of the FI's business.[85]

A second goal of gender mainstreaming is more tangible: to ensure that "all [company] policies are gender-sensitive – identifying factors that impact women and men differently."[86] FFGI makes clear that for FIs, "all policies" includes not only workplace policies (the low-hanging fruit), but also customer service policies and investment and loan decision-making procedures.[87] This means gender mainstreaming should actually result in the re-writing of all company policies, with attention to gender-specific considerations in each business area. Either sustainability teams[88] or the board itself can develop policies and checklists that embed gender considerations into the legal and risk, banking, human resources, communications, and others company segments.[89] The sustainability effort should recruit from internal and external experts on gender equality in the workplace, customer service, and supply chains."[90] The board (as described below) and any sustainability teams should include enough women participants that their voices are not overshadowed by men's. Too often women's involvement and contribution are missing from development of company codes, even codes expressly addressing women's issues.[91]

What exactly should the gender policy or policies be for each of the four business areas? For governance, the policy should focus on the priorities discussed in this section I. As for the other practice areas, sections II, III, and IV below help clarify relevant priorities.

2. Increasing Percentages of Women on Boards of Directors

In addition to mainstreaming gender into the FI's various departments, another step in prioritizing

gender equality at the governance level is placing more women on the board of directors. One of the leading reasons to promote women in leadership is that it actually results in higher profits for companies including FIs. By now there is much evidence that companies with greater representation of women on their boards have higher returns on equity, net profit margins, and earnings per share,[92] as well as lower volatility.[93] One study found that companies with a female CEO or board director achieved a ten percent higher return on capital, irrespective of sector.[94] Another found that companies with more female board members had 53 percent higher returns on equity, 42 percent higher returns on sales, and 66 percent higher returns on invested capital.[95]

In addition to profits, several studies have shown that women directors bring different perspectives, leadership styles, and business approaches that are constructive in disrupting tired business approaches and invigorating companies' models. The Indian NSE reports several reasons for gains resulting from board gender diversity, including improved decision making, enhanced return on equity, enhanced talent pool, and better response to customer needs.[96] The NSE cites "evidence linking women's representation on boards and in management with improved compliance, better risk management, better earnings quality and less accounting manipulation."[97] The NSE also observes that institutional investors are starting to consider gender diversity as a critical factor in board effectiveness, making gender diversity a criteria in determining where to invest.[98] One study indicates that having three or more women on a board marks a tipping point in causing positive change in boardroom thinking.[99] The FFGI encourages FIs to guarantee women 40 percent of senior management and board seats.[100]

The Indian Companies Act requirement for companies to appoint at least one female board director makes India a leader in promoting board diversity. In practice, however, compliance with the requirement is still less than complete. A quarterly briefing of the NSE found that out of 1,451 listed companies studied, 147 companies or 10.1 percent had not yet appointed a female board member.[101] The briefing also admits the "unflattering reality" that "women still constituted a very small part of board make-up" at just 12.3 percent.[102] The NSE brief observed that the last-minute rush of appointments, just before the legal deadline, demonstrated companies were dodging compliance until the appointments were "no longer avoidable."[103] The NSE brief indicates the delay may have been due to widespread prejudice, as prevalent in companies as it is in Indian society, assigning "a secondary and often inferior status to women compared to men."[104] The brief noted that the recent significant increase in professional education and experience of women should undermine the oft-cited excuse of business leaders that there are insufficient women to fill positions on boards.[105] The NSE brief also notes "some criticism in India that a substantial proportion of women directors inducted on to boards in this compliance-driven initiative are family members related to the controlling promoters and thus they lack 'independence'."[106] Responding to this concern among others, a Committee on Corporate Governance formed by SEBI in 2017 recently recommended that women directors be independent.[107]

An academic study found larger companies and closely held Indian companies were more apt to have appointed women board directors while, in a matter of concern, state-owned Indian companies were less likely to have done so.[108] The report suggested this may result because norms of "patriarchy and orthodox religion remain strong" in India, and suggested that the Indian government take a more proactive role in setting new norms and leadership examples by promoting women on its company boards.[109]

Box 1: Female Directors on Indian Bank Boards

For this paper, the author's own review of publicly-available data of the top nine public and private banks in India revealed that two of nine state-owned banks had not appointed a female director at all, while four had appointed two. Two of nine private banks had two female directors, and one private bank, Axis, had three, none of whom, Axis' Sustainability Report asserts, are relatives of any other board members.[1] Several of India's banks thus have to make progress to meet the recommended three to four independent female directors. Indian FIs like all FIs stand to gain profit, improved decision-making, better risk management, and strengthened governance from adding more women to their boards.

3. Promoting Women in Senior Management

There is also strong evidence that increasing the number of women in senior management leads to growth outcomes for the company. Research published in the Harvard Business Review found that "companies with the highest percentages of female executives delivered earnings far in excess of the median for other large firms in their industries."[110] The IFC-GRI practitioner's guide also highlights the importance of promoting diversity among managers, in part on the grounds that investors in companies with good gender diversity strategies report excess returns running at a compound annual growth rate of 3.5 percent.[111] The gains – equitable and financial – from promoting women in board and senior management positions has led to an increase in financial instruments investing in businesses promoting gender diversity. These include Bloomberg's Financial Services Gender Equality Index, the Economic Dividends for Gender Equality, IFC's Banking on Women Bond Program, Pax Ellevate's Global Women's Index Fund, State Street Global Advisors' Gender Diversity Index Fund, and the Women's Livelihood Bond, a social impact bond pooling borrowers that are positively impacting the lives of women in Asia.

In addition to boosting FIs' bottom line, promoting women in management will bring valuable benefits to the workplace. Women managers may place greater emphasis on hiring, promoting, and supporting women employees, and may be less prone to gender biases that presently discourage greater gender diversity in FIs. For male employees, working under women bosses will help men understand and appreciate women's skill as leaders, experts on financial and business issues, and authoritative decision makers. For women, working under female bosses will give the more junior women female mentors to look up to. Having women in management will be critical in making internal corporate culture and values more inclusive of women. Finally, women managers may also have unique background knowledge that helps ensure gender equality stays central as a priority in client due diligence.

In India, SEBI does not yet require reporting on number of women in management, and thus only a handful of the 18 banks studied for this paper show numbers of senior managers on their websites, with percentages of women managers ranging from 0 to about 12 percent. McKinsey reports that a survey of women executives in the Indian private sector found that "'the lack of specific company measures to recruit, retain, promote and develop women' is the most important barrier to increasing gender diversity within the top management of their organisations."[112] One positive example of advancing women leaders with a goal of reducing gender bias comes from

Yes Bank, whose LEAP program for Senior and Middle Management Executives is aimed at enhancing leadership capability, minimizing attrition, maximizing productivity, and eliminating gender bias at the workplace.[113]

4. Promoting Transparency on Gender Goals and Achievements

Transparency from the top down is critical for achieving sustainability and gender-related commitments. All guidance, from the UN Guiding Principles, to the FFGI and *Guide to Banking Sustainability*, to the WEPs on gender equality, emphasize the importance of transparency to help FIs understand and address their own human rights risks, track their performance internally, and enable customers, advocates, and other stakeholders to see and appreciate FIs' commitments and achievements.[114] After reforming internal policies with respect to gender, an FI should publicize these policies internally and externally. The FI's leadership should then develop and a plan for managers across the FI's practice areas to meet the goals. Publicizing the policies, goals, plan, and outcomes will ensure leadership is accountable for delivering results.

Among the Indian banks surveyed for this paper, there is low evidence of development, and also publication, of comprehensive policies on gender equality. Regarding leadership policies, some banks like Kotak Mahindra mentioned its "focused leadership mindshare" on promoting gender diversity, but it was not clear whether any of the banks had developed a formal policy on promoting gender within and through the banks' governance.[115] With respect to policies, most banks have a sexual harassment policy, but there was little published evidence that banks have a broader, consolidated policy addressing all aspects of advancing women in the workplace. Similarly, there appeared to be no published evidence of comprehensive policies on serving women as clients, nor on incorporating gender considerations into ESG risk analyses. FIs' lack of transparency in publicizing gender equality policies makes it hard for external actors to understand the positive steps FIs are taking, a factor that hurts FIs most. The lack of transparency also prevents FIs themselves from understanding and improving their impacts. Indian FIs would help themselves succeed if they ensured transparency over their gender policies, goals, and action plans.

Table 2: Reporting on Gender-Related Indicators

Commonly Reported Gender Indicators	**Infrequently Reported Gender Indicators** (More reporting is needed here)
Overall ratio of men and women in the company workforce	Ratio of men and women across different levels of the company
Number of women on the Board of directors	Number of women in senior and mid-level management
Existence of sexual harassment policy	Existence of gender-related policies, vis à vis • Gender support in workplace; • Outreach and protection for women customers; and • Embedding gender in ESG risk assessments
Women and men's participation in trainings	Statistics on recruitment and retention of women
	Statistics on pay for men and women, in aggregate and within levels of the company
	Statistics on women's participation in non-traditional roles
	Data on availability and use of flexible work arrangements

II. Workplace Practices

As mentioned above, promoting women in the workplace is often where companies start to address gender equality. Although gender mainstreaming for FIs cannot stop there, nevertheless promoting equality in the workplace is critical. The author's review of FIs in India suggests that, much like other companies, FIs are doing most to address gender equality in this area. Despite positive steps, Indian FIs particularly need to do more to improve career advancement opportunities for women and close persistent wage gaps.

1. Starting with Self-Diagnosis

Some FIs might want to start an analysis of their workplace practices by following a model like the World Bank's GEM, which helps companies promote gender equity in their workplaces through a four-step plan. The World Bank suggests starting with internal self-diagnosis led by a cross-departmental team using questionnaires to identify gaps, imbalances, and missed opportunities.[116] A self-diagnosis can help an FI understand the full scope of its internal weaknesses and develop a tailored action plan to address them, following global best practices.[117]

2. Hiring More Women

One basic step to promoting women in the workforce is hiring more women. Workplace diversity is critical for increasing women's voice in the financial sector, which has been controlled by men globally. That the financial sector operates with so little input from women is concerning, particularly given the benefits women's perspectives bring. Additionally, gender diversity is a primary indicator of company sales revenues, numbers of customers, and profitability.[118] In other words, hiring more women is actually good business. Hiring more women starts with setting a policy of non-discrimination in hiring, proactively analyzing why internal hiring of women is low, and launching a policy initiative to increase hiring of women.[119] That initiative could involve better human resources recruitment of women, and better collaboration with universities to train and recruit female students. Another suggestion from WEPs Principle 1 is for FIs to include achieving progress on gender equality as "a factor in managers' reviews." Grading managers on how well they narrow gender gaps in hiring would go a long way in closing those gaps.

In India, McKinsey estimates that 70 percent of the potential economic gains of promoting women's equality would result from raising women's labor force participation, and that 68 million more women could be added to India's workforce by 2025.[120] Yet the IFC-GRI practitioner's guide notes that in India, employers still commonly question interviewees about their marriage and childbearing plans.[121] Such questions, illegal in other countries, perpetuate biased notions that female employees will stop working after having their first child, discouraging employee diversity from the start. Gender diversity in Indian banks hovers at just about 23 percent, although some banks report higher rates including Federal Bank (41 percent) and Bank of India (35 percent).[122] The sector, even grouped together with insurance, real estate, and business services, represents just 0.61 percent of total female employment in India according to the NSSO's 2004-5 statistics.[123] Indian FIs would thus do well to assess gaps in recruitment and hire more women.

3. Promoting Women Employees

After hiring more women, another key step is promoting women. Once again, the value of promoting women is not just equalizing participation of women, though that is valuable in its own right. It also raises company profits. As mentioned, a Harvard Business Review study found that

the better a company is at promoting women generally, the more profitable it tends to be. Yet a 2011 Gender Diversity Benchmark for Asia Report found that as compared to other Asian economies like China, in India women tend to drop off the "promotion ladder at an earlier stage in the career trajectory, between junior and middle level positions."[124]

Box 2: Publishing Sex-Disaggregated Human Resources Data
Yes Bank notably publishes more sex-disaggregated details on hiring, retention, and promotion than other FIs; Indian FIs do not appear to publish data on gender breakdown between lower, medium, and higher-level positions.[1] Given this, a key initial step for an Indian FI's gender sustainability team would be collecting and publicizing statistics on the gender ratio at each level in the FI, to highlight where the pipeline break is.[1] Consulting women employees situated just before the break could help the FI understand what causes the break and how to stop it.

4. Creating a Conducive Work Environment

Once women are being hired and promoted, the next consideration is on supporting women both professionally and personally. Undoubtedly, FIs want to support women employees just as they support all employees, to reduce employee turnover and develop employee expertise. The key is understanding that supporting women employees involves a few unique considerations.

One aspect of supporting women professionally is giving them equal pay for equal work. Globally, women earn just 70 to 90 percent of what men earn.[125] This pay gap persists even when comparing across similar job positions, showing the gap is based on discrimination and bias, rather than other factors. McKinsey reports NSSO data showing that Indian women are paid an average 30 percent less than their male counterparts, irrespective of professional level.[126] Presently, neither the NSE nor BSE requires listed companies to report on parity of pay across genders; FIs could adopt that reporting step as part of their own gender mainstreaming accountability goals. Paying women equally shows tangible commitment to workplace gender equality. It shows women their work is valued and encourages them to stay on with the company.

Supporting women professionally also means ensuring them equal access to career trainings[127] and mentoring,[128] and addressing harmful workplace cultures. Women-to-women mentoring is helpful, while cross-gender mentoring also helps older senior males understand the challenges and aspirations of younger women.[129] Another aspect of supporting women professionally is adopting an organizational culture that enables women's equal engagement. For example, are the company-working hours too long with important meetings scheduled in the evening?[130] Are company issues often discussed informally in social settings (e.g. at bars after work) from which women are absent?[131] Changing such cultures will ensure women obtain a central place in the FI.

Another important aspect of supporting women professionally is providing a safe work environment. Most of the Indian banks surveyed for this report already demonstrate awareness of the harms of workplace sexual harassment and assault and the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. However, four of nine state-owned banks surveyed made no mention of a sexual harassment plan or policy in their filings. This is a critical human rights issue for female employees. Further, failing

to prevent and respond to workplace sexual harassment can also cost an average Fortune 500 company $6.7 million in employee absenteeism, reduced productivity, and turnover.[132]

Sexual harassment is not the only safety consideration. Protecting workers should cover issues like commuting for work. One study on women workers in Mexico noted that late transit hours result in violence against women workers.[133] While arguably, it is the government's responsibility to make streets safe, employers still bear the immediate costs when female employees are intimidated or harmed. Therefore, FIs have a financial interest in establishing policies to provide safe transportation to female (and male) staff working after hours.

Box 3: Making Commuting Safer for Women Employees

Several of the private Indian banks provide one-off self-defense training for female employees, but this may not be a practical solution. More positively, Axis Bank has an emergency hotline and after hours commuting service for women employees, and ICICI Bank offers "Quick Response Team" vehicles and an iTravelSafe app for employees facing emergencies during transit.[1] Critically, promoting worker-commuting safety should not involve preventing women from working late. One of the Indian state-owned banks notes in its Annual Report that all branches are "advised to ensure that normally lady staff members are not required to work late in the evening."[1] While well-intentioned, a policy protecting female employees by limiting the work they may do perpetuates stigmas against women working outside the home and creates a double standard where men, who will be asked to work late, climb ranks while women are trapped in lower-rank positions.

In addition to supporting women as professionals, it is also critical to understand and reasonably accommodate the home care responsibilities society places on women. FIs like all companies have an interest both in enabling women to continue to be mothers and also participate in the economy and grow the GDP. FIs can take several steps to retain their female staff through child-birth and rearing – thereby reducing costs of employee turnover[134] – by providing both maternity and paternity leave, child care support, leave allowance to care for sick family members, and flexible work arrangements. India's Maternity Benefit (Amendment) Bill, 2016, which was passed by the Parliament in March 2017, goes a long way in addressing these concerns. The Bill ensures 26 weeks of paid maternity leave for women for the first two children, and 12 weeks for additional children. Additionally, it requires every company with 50 or more employees to provide a crèche within a near distance of the office space; allows women employees to visit the crèche four times daily to feed and tend to small children; and permits employers to provide work-at-home arrangements to women.[135]

Box 4: The Case for Paid Parental Leave

Some members of the Indian financial sector are doing much to support women's dual responsibilities. The NSE offers its own female employees a maternity bonus when they return to work, leading 84 percent of female workers to return to NSE.[1] A few private banks in India such as HDFC and Yes Bank report offering paternity leave, an important step in allowing a societal shift whereby men increasingly share home responsibilities. HDFC published the numbers of men availing themselves of the policy: far from being an unused perk, a full 2,424 men took the leave in FY15-16, all subsequently returning to work.[1] IDFC makes "conscious consideration for significant life events" including through allowing flexible working hours,[1] and the Axis-Women Alumni program helps women employee alumni manage career transitions. None of the Indian state-owned banks surveyed mentioned anything about their work-life balance policies.

III. Consumer Protection and Outreach

The third area of an FI's practice into which the leadership should weave gender considerations is its retail practice. By designing products and services to better address women's needs, including women entrepreneurs, and by developing gender-appropriate consumer protection practices, FIs can benefit themselves as well as their new women customers.

1. Extending Financial Inclusion to Women

The equal right to bank loans, mortgages, and other forms of financial credit is a human right under the international Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).[136] Further, SDG 5(a) specifically calls for "reforms to give women equal rights to economic resources, as well as access to ownership and control over…financial services." Financial inclusion means "universal access, at a reasonable cost, to a wide range of financial services."[137] Experts have realized that poor and near-poor customers, just like other customers, need more products than credit, including savings and insurance, as well as better information and education to help them use the products better. Banks have a clear interest in reaching these customers if they can do so while ensuring proper protections. Further, the goal is not to stop with charity and small informal savings groups; those tools are "springboards" to lead customers into the formal financial sector.[138]

Nevertheless, as a result of gender and age discrimination, women and youth are more likely than men to be excluded from financial services.[139] Globally, one billion women lack access to the financial system.[140] Indian women have less than 75 percent the financial and digital inclusion of men, and 90 million fewer women than men in India have access to formal FIs.[141] Discrimination against women, as well as unfair and unequal distribution of power and resources, favor men in accessing finance.[142] Promoting equal access to finance benefits women by enhancing their financial independence and purchasing power, giving them a greater role in household and community decision-making, and even reducing their risk of gender-based violence.[143] Inequality is also bad for growth, in that growth with inequality is limited because aggregate demand is limited, while in terms of social stability, inequality brings a range of poverty ills and risks of social unrest that jeopardize national growth and stability.[144]

Banks have often steered away from reaching out to poor and rural women because of certain biases and perceived costs: biases that women are unknowledgeable about money and will be irresponsible borrowers, and real costs of traveling to rural clients and of needing to maintain a high number of very small accounts with a low volume of transactions.[145] Regarding women's borrowing practices, by now there is widespread recognition that women are more reliable borrowers than men.[146] Further, research shows that women invest far more of their income than men into their families (90 percent versus 30 to 40 percent), better serving societal and economic growth.[147] As for costs, many banks are finding innovative ways to circumvent them. In India, these costs have been addressed through group banking, for managing group accounts is one-tenth the cost of managing individual accounts.[148] An extension of the group model, to aggregate loan groups together, may further extend the reach of group-based financial services.[149] Another cost-saving innovation in India has been the use of bank correspondents – shopkeepers or other individuals who conduct deposit, withdrawal, and transfer transactions with remote clients on behalf of a bank.[150] Mobile banking also offers great potential to reduce costs of banking rural people. McKinsey has hailed the potential in India for mobile banking to bring an additional 300 million people into the formal financial system.[151] Financial inclusion can also benefit other particularly vulnerable women, such as those who lack financial assets but seek to escape domestic violence, a serious problem in India.

2. *Viewing Financial Inclusion as Business, Not Merely Charity*

One important step in India is for banks to understand financial inclusion as business, not a CSR policy. In India as in many countries, financial inclusion began as an element of CSR, typically implemented in the form of microcredit through an NGO or foundation partner. This is a good start, but FIs have much to gain – including more customers and more profit – if they begin to see financial inclusion and women especially as part of their business. As the NGO CARE suggests, "by not innovating and not investing in the poorer segment of the population, is the financial services sector missing a promising opportunity and leaving behind millions of people who could both benefit from, and contribute to, healthy and inclusive economies?"[152] Positively, Bank of India asserts it has shifted its outlook on financial inclusion from "CSR" to "viable business proposition."[153] Care must be taken to implement extra customer protection for women clients.

3. *Innovating Products and Services for Women's Needs*

Success in reaching women as customers starts with understanding that women have unique needs and tastes that differ from those of men and also other women across different strata. Indian FIs have a reason to act here, because companies that become "first movers" in responding to women's needs often gain significantly in brand and reputational leadership as well as market share.[154] In the Dominican Republic, the bank BHDL held a market research program to identify four unique groups of women customers – small and medium enterprise owners, independent professionals, salaried employees, and heads of household – with concerns over saving time, promoting education and health for themselves and their families, and growing their businesses. From its research, BHDL designed two credit cards specially for women that provide unique services: the "Women's Credit Card" includes insurance coverage for women's cancers as well as household services like plumbing and lock-smithing; and the "Women's Entrepreneur Card" includes comprehensive technical assistance to women entrepreneurs on accounting, taxation, and labor law.[155] In Lebanon, BLC Bank gained many new women clients by innovating new products geared to women such as collateral free loans, a mother fiduciary account allowing

women to name children as beneficiaries without referring to male guardians, bank-sponsored mentoring and networking opportunities for women entrepreneurs, and an online banking initiative to serve women's time and mobility constraints.[156] Both banks also launched public ad campaigns of women as role models and financial achievers, advancing business and personal goals.[157]

The IFC, reporting on both banks, observed that the success of both BLC and BHDL's initiatives were due partly to the banks' coinciding commitment to workplace diversity and inclusion – demonstrating how inter-locked the pillars of the framework are. BLC "credibly" made itself a top place for women to bank because it also made itself a top place for women to work, increasing maternity and paternity leave, raising female staff levels to 51 percent, setting a 2020 target for gender parity among senior management, and training staff on supporting gender equality.[158] BHDL ensured equal pay for men and women, monitored promotion of women in hiring, and made 64 percent of its senior management women.[159] Both banks experienced growth in profits and BLC also gained extensive positive media coverage.[160]

In India, several banks are pioneering new services for women, including loans for girls' education at reduced rates[161] and branches or counters for women with accompanying advising and support services.[162] These are great examples for other Indian banks to follow, and more innovations, such as the ones implemented by BLC and BHDL, can further extend financial inclusion to Indian women. Further, FIs can augment their ability to attract women customers if they increase the presence and decision-making capacity of women in their workplaces. FIs should also take care not to stamp out positive initiatives for women simply because they begin small. SBI recently merged with a women-centered bank called Bharatiya Mahila Bank (BMB), ostensibly because SBI can more efficiently serve clients than the smaller BMB.[163] The key question is whether an important service was lost when BMB bank offices, which were specifically focused in name and structure on women, were replaced by standard SBI offices. Consultation is needed before such mergers occur to ensure women's needs are best met.

4. *Ensuring Women-Focused Consumer Protections*

Finally, FIs cannot forget that risks accompany an expansion of financial access, due partly to asymmetries of information in financial markets, financial sector infrastructure, and low levels of financial literacy. Any conversation on financial inclusion must be accompanied by a parallel focus on improving protections for the new customers. The onus is on banks to ensure policies and practices protect new women customers from abuse and neglect. The Smart Campaign has published a helpful list of Client Protection Principles to protect vulnerable clients, including fair interest rates, transparency in fees, and access to remedy, among other things.[164] Banks should consider whether the retail services they provide to vulnerable individuals including women are not only consumer-appropriate, non-discriminatory, and non-exploitative, but also non-exclusionary, inviting access by non-conventional customers.[165] The ILO also emphasizes that finance is insufficient on its own, but should be accompanied by training, market access, skills development, mentoring support, and other services.[166] McKinsey calls for more programming targeted specifically to women in India, and increased financial literacy and entrepreneurship training to accompany services.[167] To make access to finance more effective, girls especially will benefit from financial literacy training because it mitigates their risk of experiencing sexual and domestic violence, early school termination, illiteracy, joblessness, and early marriage and pregnancy.[168] A number of Indian banks surveyed are providing trainings to women

entrepreneurs, which is a great step. The goal is to widen the scale of these trainings to reach beyond targeted CSR and are bundled into standard bank services. Beyond training customers, FIs do well to train employees on the needs and vulnerabilities of new women customers.[169]

Indian banks should also not shy from using their brands and political clout to lobby the government for change in key ways that will enable women financially. Some barriers to accessing finance can be got around by the banks themselves – like irregular and low-value income streams.[170] Others involve structural barriers, like the practice of issuing deeds in the husband's name only, causing women to appear to own no collateral. Instead of perceiving such barriers as beyond their power to address, FIs can use their influence to call for reform. They as well as women stand to benefit from such advocacy.

IV. Due Diligence of Clients

The final area of business conduct through which FIs impact gender equality is in their prevention and mitigation of harms directly linked to their business relationships. It is here where most FIs, especially Indian FIs, have the greatest progress to make. Again, why should an FI take action on ESG due diligence? For one, FIs should adopt strong ESG risk management because they are and increasingly will be required to do so by regulators. For another, FIs face real risks to their own reputations and operations by being associated with a harmful client. Consumers even in India are becoming more sensitized to these issues, and Indian FIs will face scrutiny for their business associations. Finally, the key idea is that FIs can get ahead of the curve of regulatory and customer scrutiny by proactively beginning now to choose clients and investments that are socially good. "Socially good" means achieving good ends through good means. In the case of women, that means working in a manner that doesn't abuse women workers and women villagers along the way. FIs should take the lead in shaping a new future of good business.

1. Prioritizing Gender Equality with Suppliers and Clients

One business relationship that needs due diligence is the supplier relationship, and like other companies, FIs can support women by seeking to engage women-owned suppliers, such as for their computer equipment, janitorial services, or office supplies.[171] However, FIs' main focus should be on review of their clients. Many types of FIs – including banks, insurance companies, asset managers, pension funds, and hedge funds – engage in a range of large-scale financial transactions with corporations, sovereign governments, or high-net worth individuals. These transactions include corporate lending and project finance, investment and investment services, and asset management. There is debate over whether some of these services are presently subject to ESG requirements. The FFGI argues that all should be, as there is much to gain for FIs that seek to implement the broadest possible sustainability practices.

2. Evaluating Gender Risks Associated with a Client

Before providing a loan, or even asset management or investment services, an FI may wish to guard its reputation by investigating the reputation of the corporation itself. The FI will study whether the corporation has a past record of environmental or human rights abuse – for this paper, a record especially associated with abuse of women's rights. If so, how has the corporation responded to such allegations or actual abuses? The FI will also study whether the corporation's internal policies, codes, and practices demonstrate a mature awareness and response to gender-related risks or inequalities. This includes in the corporation's own workplace (considering factors

identified in section 5.II above) and sector and supply chain (regarding sector-related risks identified below).[172]

3. Evaluating Gender Risks of Corporate Loans and Project Financing

In addition to considering the corporation and its capacity to manage risks it causes to women, the FI will consider the purpose of the loan.[173] If a loan to a corporation will support a specific project, sector, or merger with another company, then FIs should conduct analysis of the risks, including gender-related risks, associated with that specific project (again noting sector-related risks identified below) or company.[174] An FI may also need to consider risks occurring from loans in certain countries or geographies, such as "international sanctions, high levels of corruption, political instability, violent repression of minority groups or dissidents, armed conflict, undemocratic government, poverty, discrimination, or weak governance."[175] Women are especially vulnerable to abuse in times of instability and conflict, and FIs should be aware of that heightened risk to women when investing in conflict-affected areas. When reviewing projects, FIs will want to ensure that clients engage directly and specifically with women stakeholders throughout the full lifecycle of the project.[176] The IFC Performance Standards suggests that clients should consult male and female stakeholders in separate fora to capture women's different concerns and priorities for the project impact mitigation efforts.[177] Clients should also provide women employees and impacted female community members a means of grievance to the company.[178] The FFGI also encourages FIs to set up, where appropriate given the nature and scale of the project, a grievance channel directly to themselves.[179]

Corporate loans, including loans to subsidiaries, and project financing are widely recognized as creating business relationships that do generate human rights due diligence responsibilities for FIs. These relationships also often allow FIs greater leverage to influence potential human rights impacts.[180] Many FIs already do ESG risk assessments for such long-term financing using tools like the Equator Principles.[181] These tools do not highlight gender-related risks comprehensively, so a later section identifies gender considerations across several industries.

Depending on the results of the due diligence, the FI may decide to forego the loan entirely. Just as with other types of risks, ESG risks may make the partnership not worth it. Alternatively, the FI can use leverage to strengthen the company's practices or the project's structures. Because corporate lending typically involves covenants and customized loan obligations, FIs have greater ability to set specific requirements based on the ESG concerns exposed during their due diligence.[182] If a corporate loan will be a general corporate loan, the analysis may be conducted at a broader, shallower level, considering ESG risks inherent in the company's workplace, product produced, or geographic location of the client's overall business.[183]

4. Considering Due Diligence for Investment Activities

Separate from corporate lending or project finance, FIs such as banks, insurance companies[1],

---

[1] This paper does not provide detail on insurance companies, but a few key points are highlighted here. Insurance companies serve a couple important market needs by, first, hedging risks for clients, and second, investing clients' premiums to facilitate larger financial flows. For retail insurance, insurers must ensure good consumer protections for retail customers, and also offer insurance in a non-discriminatory and innovative manner to reach underserved women and female entrepreneurs. On corporate insurance, insurers providing corporate risk insurance should ensure

and pension funds[2] may also generate ESG responsibilities when investing their own liabilities into certain assets. For direct equity investments, agreement is growing that investors, just like other FIs, should establish ESG management systems to address human rights issues related to the companies in which they invest.[184] This seems to apply even to minority shareholders.[185] Investors, "[a]s owners of capital…can encourage companies to prevent, mitigate and address the negative human rights impacts of their activities" and can "influence the way investment managers address human rights and other environmental, social and governance (ESG) issues with investee companies through their mandate, contractual arrangements and oversight."[186] Many investors already do screen certain countries (like Iran) or products (like cluster munitions) from their investments, and look for human rights violations (like child labor) when selecting investments.[187] Investors should ensure their ESG screening includes focus on gender concerns, including workplace concerns discussed above and sector-related concerns discussed below. Investors can also prioritize investments to women-focused investment vehicles such as those highlighted in Chapter 5.I.3 above. Beyond direct equity investments, there is less clarity on how investors are incorporating human rights considerations into their various investment vehicles.[188] Yet the sustainable investment field is gaining momentum, and advocates for sustainable finance will continue to identify new ways to hold various investors accountable to ESG due diligence.

5. *Considering Due Diligence for Other Financial Activities*

As for asset management and intermediary investment services such as underwriting or brokerage, there is less clarity over whether and what ESG due diligence responsibilities generate for FIs.[189] Most FIs do not apply human rights due diligence to their asset management or investment services, believing the choice is for the client to determine whether or not her assets should be invested with attention to human rights considerations.[190] The FFGI suggests, however, that with respect to underwriting, banks are investing their own money into the securities, there is an argument FIs should apply their own human rights risk analyses to the transaction.[191] Regarding asset management and brokerage services, the FFGI suggests that asset managers and investment banks encourage clients' to consider human rights risks in the same way the manager itself does, perhaps by adopting the managers' own investment risk analysis.[192]

From publicly available sources, it does not appear that any Indian banks reviewed for this paper include gender-related analysis in their ESG due diligence of business clients. Only about half (a mix of public and private) report undertaking ESG due diligence of clients *at all*, and if they provide details on that due diligence, the details emphasize only environmental considerations.[193] One bank observed that many of India's NVGs do not apply to it and better apply to manufacturing companies, revealing its misunderstanding of banks' responsibility to prevent or mitigate human rights harms directly linked to their business relationships.[194] IndusInd reports that it seeks to associate with vendors and suppliers that provide equal opportunity to women employees, but

---

the insurance does not give cover to corporations to commit human rights violation. When investing their liabilities, insurers should, like other director equity investors, adopt ESG risk analysis measures. (*See, e.g.* Margaret Wachenfeld (2013). Institute for Human Rights and Business. *Investing the Rights Way: A Guide for Investors on Business and Human Rights*.)

[2] This paper does not provide detail on pension funds, but a couple key points are highlighted here. Pension funds may serve as fiduciaries of clients' vital retirement assets. In addition to adopting investment ESG risk analysis measures, pension funds should be careful stewards of clients' assets. (*See, e.g.,* Fair Finance Guide International (FFGI) (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*.)

this policy does not appear to extend to client companies. Undoubtedly, the lack of reporting on social and specifically *gendered* aspects of ESG due diligence occurs in part because the questionnaire SEBI has designed for companies about their sustainability conduct focuses on environmental considerations.[195] In sum, this is the area where Indian banks are most lagging, and have most progress to make.

The above paragraphs outline some of the considerations for applying a gendered lens to monitoring new clients and relationships. The paragraphs below should help FIs understand what type of risks to women FIs should look for across a range of economic sectors.

6. Evaluating Gendered Risks in Various Economic Sectors

Every sector poses challenges to workers and communities impacted by the sector. But women face unique risks of human rights harms that are regularly overlooked in due diligence mechanisms. Before accepting clients or projects in such sectors, FIs should study these risks – and ask clients to demonstrate the same. FIs cannot and should not be looked at to resolve all of the harms outlined below. But FIs' due diligence and requirements for clients can go a long way in addressing many of these harms.

Agriculture

Women are overrepresented in the agriculture sector, with women smallholders supplying more than 50 percent of food production in developing countries.[196] Recent data suggest that over 65% of agricultural workers in India are female.[197] Agricultural work is considered low-skill and labor intensive, offering its primarily female staff poor wages (often payment-per-unit rather than salaries) under seasonal, temporary, or otherwise precarious contracts lacking any protective benefits.[198] Women employed in agriculture face insecure employment, with excess use of overtime as global food retailers demand faster and cheaper production.[199] Women farmers are also marginalized, receiving only five percent of agricultural services like trainings and vaccination programs, and 10 percent of loans. They also face higher risks of gender-based violence in rural, remote work settings.[200] Further, chemical fertilizers and pesticides used in agriculture are linked to health problems for women, including lowering their fertility and maternity outcomes.[201]

Although trade terms and other government policies may impact these structures, agriculture suppliers and the FIs that fund them have a responsibility to ensure workers are treated with dignity and fairness. FIs should call on agriculture or food-connected clients to demonstrate awareness of the challenges facing women farmers, and take meaningful steps to address them: by paying a living wage, enabling promotion of women into farm management positions, providing benefits, health services, and grievance mechanisms. Where clients are not meeting these requirements already, FIs can use their leverage to encourage them to do so.

Textiles and Garment

Women have long faced dire working conditions in the textile and garment sector based on stereotypes that their "small hands," "nimble fingers," and care and diligence suit them to such work.[202] While apparel jobs often provide women a "first step out of abject poverty," women textile workers "work long hours for low wages in unsafe and unhealthy conditions."[203] To keep costs low, employers often depress wages and hire women as contract workers excluded from overtime protections and other benefits.[204] Low wages are then often justified on grounds that women or

girls are merely providing households supplemental income.[205] This notion of women textile workers' labor as being quick, cheap, and expendable has promoted global supply chains with developing countries competing against each other to offer the cheapest manufacturing to international buyers.[206] Governments including the Indian government offer international buyers textiles produced in export processing zones with "the minimum possible regulations," providing an easy and cheap investment.[207] Women bear the costs that investors' save by paying out of pocket for benefits they should receive from employers, losing income from unpaid overtime or working under minimum wage, suffering lower human development in the form of ill health and less time with family, and low self-esteem feeling their work is unvalued.[208]

Scholar D. Nagasaila offers the textile sector in Tamil Nadu as a powerful example of such abuse.[209] The sector began as one predominantly employing men to whom it provided permanent contracts with fair wages and benefits. Then the company developed a scheme to replace retiring male workers with teenage girls "lured" to work on three-year temporary "apprentice" contracts, during which time they would receive salaries just a third of minimum wage while awaiting an end-of-term lump sum payment for their dowries. Unions could not access the non-permanent workers, and the mills argued minimum wage did not apply to apprentices. So it was that "the feminization of the workforce led to the textile sector transforming from an organised one to an unorganised one and one is once again faced with sweatshops."[210] This case illustrates that harms to women in certain industries are not inevitable: discrimination against women allows abuses against women that would not be tolerated against men. FIs considering loans to companies linked to the textile and garment sector should require clients to address these issues.

Electronics

Women are also highly employed in low-skill, high-intensity electronic assembly activities for many of the same reasons they are employed in the textile sector: based on stereotypes that their nimble fingers and diligent work ethic make them adept at handling electronic parts. Yet many of these electronic parts are made of highly toxic materials, and women have experienced reproductive hazards, including higher than average incidence of stillbirths and severe illness or disability in children, from handling of chemicals and metals on assembly lines.[211] FIs should ask potential electronic sector clients to explain their actions to mitigate harms to women workers.

Extractives (Mining, Metals, Oil, and Gas)

The extractives industry causes a variety of risks to women of which companies and their FI funders should be aware. Women employees in mines are often, because they are perceived to be weaker than men, placed in positions that are less physically taxing but in fact more hazardous, such as processing plants and milling units where they must handle dangerous chemicals.[212] Other risks impact women in communities near mining projects. For one, many mining projects require communities to be dislocated from their land, and because women's tenure rights are typically more vulnerable, they may face greater practical loss of land as a result.[213] They may also suffer more than men in terms of safety and time loss if they are relocated further from water sources, agricultural fields where they work, or woods where they gather food or firewood. Extractives have a high risk of environmental damage such as contamination of water sources, and women are most severely hurt by water quality impacts.[214] Finally, industries like mining that attract a high number of male workers typically encourage increased prostitution, sex crimes, and violence against women in local communities.[215] Those too are risks caused by the industry, and

FIs should ensure clients take practical and proactive steps to address these risks, including by talking to male mining workers as well as women in mining communities and providing appropriate health equipment to mitigate HIV/AIDS and other health risks.[216]

Infrastructure

Infrastructure projects can generate some of the same impacts on women as extractives, through dislocation from land and resources, contamination of resources, and inflow of men resulting in gender based violence and prostitution. One article highlights how a dam project in the country of Lesotho created a hierarchy of employees that placed foreign (white) men in positions of highest power, with local men in lower positions, and excluded women from the investment altogether. [217] Women thus suffered the costs, but none of the benefits, of the investment. The exclusion of women from employment was due partially to construction of male-only dormitories to house workers. FIs should scrutinize infrastructure project designs to identify practices that exclude women from the investment's benefits, and burden them with costs.

Services

Workers in the services sector face long hours, low wages, poor safety, and limited health protections. These issues impact women particularly, given discrimination against them. Additionally, women employed in the services sector face higher risk of trafficking for labor and sex purposes. Particular sub-sectors of concern include leisure and facilities management (janitorial services and others) and tourism.[218] FIs investing in the service sector should consider these likely harms to women.

Other Sectors

The paragraphs above do not cover every gendered risk possible in these sectors, nor can this section address every sector with respect to which FIs may form business relationships. As has been stated above, every project or business relationship requires its own unique due diligence, and there is no "one size fits all" approach. Hopefully the examples given in this section, and the overall discussion in this paper, will broaden FIs understanding of the ways they can and do impact women through their business transactions, the range of gender risks they should look for in their risk analyses, and the steps they may take to address them.

5. CONCLUSION AND WAY FORWARD

Within the RBC movement, FIs are increasingly working to promote sustainability in their practices, including in their ESG risk analyses of clients and client projects. Unfortunately, ambiguity over the full scope of the term “sustainability” has led FIs globally and in India to focus more on their environmental than on their social, including gender, impacts. Many FIs are implementing policies to support and promote women in their workplaces, and some are innovating creative means to extend financial inclusion to underserved women customers. However, perhaps because FIs have not considered gender equality as an element of sustainable finance, practically none are embedding gender considerations into their due diligence risk analyses or mainstreaming gender equality as a value in *all* business areas.

Much guidance exists to help FIs undertake ESG risk assessments and advance sustainability, but such guidance addresses gender issues in a limited way. Similarly, gender guidance for companies is not tailored to the business structures of FIs. This paper has endeavored to fill the gap by drawing insights from both gender and sustainability guidance to help FIs understand the nexus between gender equality and the financial sector, and to mainstream gender considerations throughout all areas of their business. Using practices of banks globally, but especially in India, to help illustrate certain arguments or assertions, the paper has identified and explored the four areas of FIs’ business practice in which gender-focused ESG reforms can most helpfully and profitably occur:

- Through their *Leadership and Governance*, FIs can mainstreaming gender equality as a value throughout all the FIs practices and policies, promote women into leadership positions, and increase transparency and accountability on gender equality policies and goals;
- In their *Workplace Practices*, FIs can ensure equal opportunity in hiring and promotion for women, equal pay for equal work, and support for women’s professional advancement and work-life balance;
- Through their *Consumer Protection and Outreach*, FIs can extend financial access to women, innovating targeted services and products while meeting women’s unique consumer protection needs; and
- In their *Due Diligence of Clients*, FIs can incorporate gender considerations into their ESG risk assessments to assess, respect and remedy diverse human rights impacts that FIs’ business relationships cause to women as workers and community members.

This paper’s exploration of promoting gender equality, as an element of social sustainability, in the financial sector is a first step. The author hopes it may generate discussion on the importance of gender equality as a social issue within the ESG frame, and the responsibilities and opportunities for the financial sector in prioritizing focus on women.

Endnotes

[1] International Finance Corporation (IFC) (n.d.). Resources on Sustainable Finance, available at http://www.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/Sustainability-At-IFC/Company-Resources/Sustainable-Finance/, (last accessed 6 November 2017).
[2] United Nations Environment Programme Finance Initiative (UNEPFI) (2017). *Principles for Positive Impact Finance: A Common Framework to Finance the Sustainable Development Goals*. Geneva.
[3] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 7. *See also* Namit Agarwal et al. (2017). Oxfam International. *Raising the Bar: Rethinking the Role of Business in the Sustainable Development Goals*, pgs. 19-21.
[4] UNEPFI (n.d.). History of the Statement. http://www.unepfi.org/about/unep-fi-statement/history-of-the-statement/.
[5] See, e.g. IFC (1986-1998). Former Environmental and Social Safeguards and Supporting Materials, available at http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/safeguards-pre2006, (last accessed 6 November 2017); IFC (2012). *Performance Standards on Environmental and Social Sustainability*; Equator Principles (2003-2013). *Equator Principles III 2013*; United Nations Principles for Responsible Investment (UNPRI) (2006). *Principles for Responsible Investment*; John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework."*
[6] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 7, 18. *See also* Namit Agarwal et al. (2017). Oxfam International. *Raising the Bar: Rethinking the Role of Business in the Sustainable Development Goals*, pg. 21.
[7] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 16.
[8] Homi Kharas (2014). *Financing for Development: International Financial Flows after 2015*. Brookings Institution: Washington DC, available at https://www.brookings.edu/research/financing-for-development-international-financial-flows-after- 2015/, (last accessed 6 November 2017).
[9] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 7, 19-20. *See also* Namit Agarwal et al. (2017). Oxfam International. *Raising the Bar: Rethinking the Role of Business in the Sustainable Development Goals*, pg. 19-20.
[10] Reserve Bank of India (RBI) (7 December 2007). *Corporate Social Responsibility, Sustainable Development, and Non-Financial Reporting – Role of Banks*. RBI/2007-08/216, DBOD. No.Dir. BC. 58/13.27.00/2007-08.
[11] Ministry of Corporate Affairs, Government of India (2011). *National Voluntary Guidelines on Social, Environmental, & Economic Responsibilities of Businesses*.
[12] Securities and Exchange Board of India (SEBI) (13 August 2012). *Circular Sub: Business Responsibility Reports*. CIR/CFD/DIL/8/2012.
[13] SEBI (December 2015). *SEBI Bulletin*. Vol. 13, No. 12, pg. 1151.
[14] Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH and the Small Industries Development Bank of India (GIZ-SIDBI) (2015). *National Voluntary Guidelines on Responsible Finance*.
[15] SEBI (Oct. 5, 2017). *Report of Committee on Corporate Governance*, pg. 14.
[16] Parliament of India (2013). Companies Act, 2013. Sect. 149.
[17] Parliament of India (2013). Companies Act, 2013. Sect. 135.
[18] Author's review of publicly available reports.
[19] India Brand Equity Foundation (2017). *Banking Sector in India, Snapshot, Growth in Banking Sector Deposits*, available at https://www.ibef.org/industry/banking-india.aspx (last accessed 6 November 2017). ADD NEW NOTE UNEP Inquiry/Federation of Indian Chambers of Commerce and Industry (FICCI) (2016). *Delivering a Sustainable Financial System in India*, pg. 24.
[20] India Brand Equity Foundation (2017). *Banking Sector in India, Snapshot, Market Size*, available at https://www.ibef.org/industry/banking-india.aspx (last accessed 6 November 2017).
[21] UNEP Inquiry/Federation of Indian Chambers of Commerce and Industry (FICCI) (2016). *Delivering a Sustainable Financial System in India*, pg. 23.

[22] India Brand Equity Foundation (2017). *Financial Services in India, Snapshot, Introduction*, available at https://www.ibef.org/industry/financial-services-india.aspx (last accessed 6 November 2017).
[23] Rory Sullivan, et al. (2015). UN Global Compact/UNEP Inquiry/UNEPFI/UN Principles for Responsible Investment (UNPRI). *Fiduciary Duty in the 21st Century*, pg. 11.
[24] Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*, pg. 24.
[25] Rory Sullivan et al. (2015). UN Global Compact/UNEP Inquiry/UNEPFI/UNPRI. 21st Century Fiduciary Duty, pg. 11. *Fiduciary Duty in the 21st Century*, pg. 14.
[26] John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework,"* Principle 13(b).
[27] See, e.g. SEBI Business and Responsibility Requirements and Companies Act, 2013, Sect. 149 (requirements for women's participation in company boards).
[28] Sebastian Nagel et al. (2017). *Between Efficiency and Resilience: The Classification of Companies According to their Sustainability Performance*. HISTORICAL SOCIAL RESEARCH, VOL. 42, NO. 1, pg. 195.
[29] Sebastian Nagel et al. (2017). *Between Efficiency and Resilience: The Classification of Companies According to their Sustainability Performance*. HISTORICAL SOCIAL RESEARCH, VOL. 42, NO. 1, pg. 199.
[30] See, e.g., World Wildlife Federation (WWF) (2014). *Environmental, Social, and Governance Integration for Banks: A Guide to Starting Implementation*; UNEP Inquiry/Federation of Indian Chambers of Commerce and Industry (FICCI) (2016). *Delivering a Sustainable Financial System in India*.
[31] Basel III (2013). International regulatory framework for banks. https://www.bis.org/bcbs/basel3.htm?m=3%7C14%7C572, (last accessed 6 November 2017). *See also* Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 38-39.
[32] Fair Finance Guide International (FFGI) (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 41.
[33] Sara Bice (2011). *On the Radar? Gendered Considerations in Australia-based Mining Companies' Sustainability Reporting, 2004–2007*, pg. 159.
[34] Kate Grosser et al. (2008). *Equal Opportunity for Women in the Workplace: A Study of Corporate Disclosure. Council of the Association of Certified Chartered Accountants*. Council of the Association of Chartered Accountants, Research Report 102, pg. 57.
[35] Marina Prieto-Carrón (2008). *Women Workers, Industrialization, Global Supply Chains and Corporate Codes of Conduct*. JOURNAL OF BUSINESS ETHICS, VOL. 83, NO. 1, pg. 13.
[36] Sustainable Finance Advisory, Dutch Ministry of Foreign Affairs (2013). *Environmental and Social Risk Due Diligence in the Financial Sector*, pg. 27.
[37] See *Universal Declaration of Human Rights*, 1948, Preamble, Arts. 1, 7; *International Covenant on Civil and Political Rights*, 1976, Art. 3; *International Covenant on Economic, Social and Cultural Rights*, 1976, Art. 3; *Convention on the Elimination of All Forms of Discrimination Against Women*, 1981; *The Constitution of India*, 1950, Arts. 14, 15.
[38] UN Statistics Division (2015). *The World's Women 2015 Trends and Statistics*: *Poverty*, available at http://unstats.un.org/unsd/gender/worldswomen.html, (last accessed 6 November 2017).
[39] Ivana Kottasova (28 October 2014). "US is 65th in world on gender pay gap." CNN Money, available at http://www.bsebti.com/download/BIL%20initiatives%20on%20gender%20inclusiveness%20-%20Global%20Report.pdf, (last accessed 6 November 2017).
[40] UN Office of the High Commissioner for Human Rights (n.d), *Women's Human Rights and Gender Equality*, available at http://www.ohchr.org/EN/Issues/Women/WRGS/Pages/WRGSIndex.aspx, (last accessed 6 November 2016).
[41] UN Human Development Reports (n.d.). Table 5: Gender Inequality Index, available at http://hdr.undp.org/en/composite/GII, (last accessed 6 November 2016).
[42] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, pgs. 1, 5.
[43] UN Sustainable Development Goal, Goal 5.
[44] See, e.g. World Bank (2011). *World Development Report 2012: Gender Equality and Development*; United Nations (2005). Secretary-General's Millennium Development Goals Report. *Progress towards the Millennium Development Goals, 1990–2005*.
[45] World Bank (2011). *World Development Report 2012: Gender Equality and Development*.
[46] Sriani Ameratunga Kring et al (2009). International Labour Office (ILO). *Guidelines on Gender in Employment Policies*, pg. 9.

[47] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, pg. 12, 14.
[48] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, "in brief" introductory section.
[49] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, "in brief" introductory section.
[50] Rena Zuabi (2015). Value for Women. *The bottom line: Why Gender Inclusion is Good for Business*, pg. 4; Marcus Noland et al (2016). Peterson Institute for International Economics, Working Paper 16-3. *Is Gender Diversity Pro table? Evidence from a Global Survey*, pg. 9.
[51] Morgan Stanley (2017). *An Investor's Guide to Gender Diversity*.
[52] Katherine Miles et al (2009). Global Reporting Initiative (GRI)-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 27.
[53] Roy Adler (November 2001). *Women and Profits.* Harvard Business Review, Vol. 79, Iss. 10, pg. 30.
[54] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 27.
[55] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 6.
[56] See, e.g. UNEPFI (n.d.). Statement on Sustainable Development; UN Principles for Responsible Investment (n.d.).
[57] See, e.g. UNEPFI (n.d.). Human Rights Guidance Tool for the Financial Sector, available at http://www.unepfi.org/humanrightstoolkit/index.php, (last accessed 6 November 2017); Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*; WWF (2014). *Environmental, Social, and Governance Integration for Banks: A Guide to Starting Implementation*; The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21*.
[58] Sara Bice (2011). *On the Radar? Gendered Considerations in Australia-based Mining Companies' Sustainability Reporting, 2004–2007*, pg. 156.
[59] Sriani Ameratunga Kring et al (2009). International Labour Office (ILO). *Guidelines on Gender in Employment Policies*, pg. 22.
[60] John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework,"* Principle 16.
[61] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pgs. 6-7.
[62] Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*, pg. 4.
[63] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 5.
[64] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 8.
[65] World Bank (n.d.). *Gender Equity Model: En Breve*, available at http://siteresources.worldbank.org/INTLAC/Resources/257803-1269390034020/EnBreve_159_English_Printable.pdf, (last accessed 6 November 2017).
[66] See, e.g., WWF (2014). *Environmental, Social, and Governance Integration for Banks: A Guide to Starting Implementation*; UNEP Inquiry/Federation of Indian Chambers of Commerce and Industry (FICCI) (2016). *Delivering a Sustainable Financial System in India*.
[67] John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework,"* Principle 17; Foley Hoag LLP and UNEPFI (2015). *Banks and Human Rights: A Legal Analysis*, pg. 14.
[68] Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*, pg. 75-79.
[69] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 6.
[70] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 9.
[71] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 60-66.
[72] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 8, 60-66.
[73] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 9.

[74] See, e.g. IFC (1986-1998). Former Environmental and Social Safeguards and Supporting Materials, available at http://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/policies-standards/safeguards-pre2006, (last accessed 6 November 2017).
[75] John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework,"* Principle 13(b).
[76] Foley Hoag LLP and UNEPFI (2015). *Banks and Human Rights: A Legal Analysis*, pg. 10.
[77] Foley Hoag LLP and UNEPFI (2015). *Banks and Human Rights: A Legal Analysis*, pg. 15.
[78] Foley Hoag LLP and UNEPFI (2015). *Banks and Human Rights: A Legal Analysis*, pg. 11.
[79] John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework,"* Principle 19(b)(ii).
[80] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 5.
[81] John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework,"* Principle 19 Commentary. *See also* and Foley Hoag LLP and UNEPFI (2015). *Banks and Human Rights: A Legal Analysis*, pg. 16-17.
[82] Equator Principles (n.d.) available at www.equator-principles.com. *See also* Organization for Economic Cooperation and Development (OECD) (2011). *OECD Guidelines for Multinational Enterprises*, 2011 Edition.
[83] UN Women (n.d.). Gender Mainstreaming, available at http://www.un.org/womenwatch/osagi/gendermainstreaming.htm, (last accessed 6 November 2017).
[84] UN Women's Empowerment Principles (WEPs) (n.d.). Principle 1.
[85] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 6. *See also* Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*, pg. 12-13.
[86] UN Women's Empowerment Principles (WEPs) (n.d.). Principle 1.
[87] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 47.
[88] Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*, pg. 12. *See also* World Bank (n.d.). *Gender Equity Model: En Breve*, available at http://siteresources.worldbank.org/INTLAC/Resources/257803-1269390034020/EnBreve_159_English_Printable.pdf, (last accessed 6 November 2017).
[89] Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*, pg. 12-13.
[90] Careen Abb et al. (2016). UNEPFI. *Guide to Banking Sustainability*, pg. 12-13. *See also* WEPs (n.d.) Principle 1, http://www.weprinciples.org/Site/Principle1/.
[91] Marina Prieto-Carrón (2008). *Women Workers, Industrialization, Global Supply Chains and Corporate Codes of Conduct*. JOURNAL OF BUSINESS ETHICS, VOL. 83, NO. 1, pg. 12.
[92] Rena Zuabi (2015). Value for Women. *The bottom line: Why Gender Inclusion is Good for Business*, pg. 4; Marcus Noland et al (2016). Peterson Institute for International Economics, Working Paper 16-3. *Is Gender Diversity Pro table? Evidence from a Global Survey*, pg. 9.
[93] Morgan Stanley (2017). *An Investor's Guide to Gender Diversity*.
[94] Annu Kotiranta (2007). Finnish Business and Policy Forum (EVA). *Female Leadership and Firm Profitability*, pgs. 1, 5.
[95] Lois Joy et al (2007). Catalyst. *The Bottom Line: Corporate Performance and Women's Representation on Boards*.
[96] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pgs. 2-3.
[97] Sustainable Stock Exchange (SSE) (2017). *How Stock Exchanges Can Advance Gender Equality*, pg. 5.
[98] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pgs. 2-3.
[99] A.M. Konrad et al. (2008). *Critical mass: The Impact of Three or More Women on Corporate Boards*. Organizational Dynamics, Vol. 37 Iss. 2 (April-June), pgs. 145-164.
[100] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 47.
[101] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pg. 3.

[102] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pgs. 3-4.
[103] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pg. 4.
[104] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pg. 2.
[105] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pg. 2.
[106] N. Balasubramanian et al (2015). National Stock Exchange of India (NSE). *Gender Diversity on Boards, Quarterly Briefing No. 10*, pg. 6.
[107] SEBI (Oct. 5, 2017). *Report of Committee on Corporate Governance*, pg. 14.
[108] A. Saeed et al. (2016). *Firm-level determinants of gender diversity in the boardrooms: Evidence from some emerging markets*. International Business Review 25, pgs. 1082-84.
[109] A. Saeed et al. (2016). *Firm-level determinants of gender diversity in the boardrooms: Evidence from some emerging markets*. International Business Review 25, pgs. 1084.
[110] Roy Adler (November 2001). *Women and Profits.* Harvard Business Review, Vol. 79, Iss. 10, pg. 30.
[111] Julia Dawson et al. (2016). Credit Suisse Research Institute. *The CS Gender 3000: The Reward for Change*, pg. 4.
[112] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, pg. 21.
[113] Yes Bank. 2016-17 Annual Report, pg. 70, available at https://www.yesbank.in/pdf/annualreport_2016-17_pdf).
[114] John Ruggie (2011). *UN Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy Framework,"* Principle 19, 20, and 21. *See also* FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 200-206; UN Women's Empowerment Principles (WEPs) (n.d.). Principle 7; The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 19.
[115] Kotak Mahindra. 2016-17 Annual Report, pg. 161, available at https://www.kotak.com/content/dam/Kotak/investor-relation/Financial-Result/Annual-Reports/FY-2017/kotak_mahindra_bank/Kotak_Mahindra_Bank_Limited_2017.pdf.
[116] World Bank (n.d.). *Gender Equity Model: En Breve*, available at http://siteresources.worldbank.org/INTLAC/Resources/257803-1269390034020/EnBreve_159_English_Printable.pdf, (last accessed 6 November 2017).
[117] World Bank (n.d.). *Gender Equity Model: En Breve*, available at http://siteresources.worldbank.org/INTLAC/Resources/257803-1269390034020/EnBreve_159_English_Printable.pdf, (last accessed 6 November 2017).
[118] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 27.
[119] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 65.
[120] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, pg. 13.
[121] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 32.
[122] Author's review of public reports issued by the eighteen largest public and private Indian banks.
[123] Kamala et al. (2011). *Gender Equality and Social Dialogue in India*. ILO Working Paper 1/2011, pg. 7.
[124] Alice Jonge (2014). *The glass ceiling that refuses to break: Women directors on the boards of listed firms in China and India*, pg. 327.
[125] SSE (2017). *How Stock Exchanges Can Advance Gender Equality*, pg. 12.
[126] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, pg. 8.
[127] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 33.
[128] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 29.
[129] Jennifer de Vries et al. (2006). *Mentoring for Gender Equality and Organizational Change*. EMPLOYEE RELATIONS VOL. 28 ISS. 6, pgs. 573–78.

[130] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 23.
[131] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 29.
[132] Adam Jezard (2017). "Why we need to calculate the economic costs of sexual harassment." World Economic Forum, available at https://www.weforum.org/agenda/2017/10/why-we-need-to-calculate-the-economic-costs-of-sexual-harassment/.
[133] Ruth Pearson (2007). *Beyond Women Workers: Gender CSR*. THIRD WORLD QUARTERLY, VOL. 28, NO. 4, BEYOND CORPORATE SOCIAL RESPONSIBILITY? BUSINESS, POVERTY, AND SOCIAL JUSTICE, pgs. 742-45.
[134] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 27.
[135] Parliament of India (2013). The Maternity Benefit (Amendment) Bill, 2016. Sects. 3, 4.
[136] *Convention on the Elimination of All Forms of Discrimination Against Women*, 1981; *The Constitution of India*, 1950, Arts. 11, 12, 13.
[137] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 185.
[138] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pgs. 3-4.
[139] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 5.
[140] Asli Demirguc-Kunt (2014). *The Global Findex Database 2014: Measuring Financial Inclusion around the World*. World Bank Group Policy Research Working Paper 7255, pg. 59.
[141] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, pg. 8.
[142] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 11.
[143] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 12.
[144] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 183.
[145] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 21.
[146] *See, e.g.* Bert D'Espallier et al. (2011). *Women and Repayment in Microfinance: A Global Analysis*. WORLD DEVELOPMENT, VOL. 39, ISS. 5., pg. 758-72.
[147] Phil Borges (2007). Women Empowered: Inspiring Change in the Emerging World.
[148] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 21.
[149] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 22.
[150] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 20.
[151] Noshir Kaka et al. (2014). McKinsey Global Institute*. India's technology opportunity: Transforming work, empowering people*, pg. 7.
[152] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 6.
[153] Bank of India. 2016-17 Annual Report, pg. 25, available at http://www.bankofindia.co.in/pdf/BOi-Annual-Report-2017.Pdf.
[154] Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pg. 50.
[155] Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pgs. 57-58.
[156] Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pg. 52-54.
[157] Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pg. 54, 58.
[158] Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pg. 54.
[159] Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pg. 58.
[160] Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pg. 59.
[161] *See, e.g.,* Axis Bank. 2016-17 Business Responsibility Report, pg. 41, available at https://www.axisbank.com/docs/default-source/business-responsibility-reports/business-responsibility-

report-for-the-year-2016-2017.pdf?sfvrsn=6; Bank of Baroda. 2015-16 Business Responsibility Report, pg. 20, available at http://www.bankofbaroda.co.in/writereaddata/images/pdf/BRR_2016.pdf.
[162] *See, e.g.* Yes Bank. 2015-16 Sustainability Report, pg. 63, available at https://www.yesbank.in/pdf/glocalizing_responsible_banking_mind_share_outcomes_in_india.pdf; SBI. 2016-17 Sustainability Report, pg. 50, available at https://www.sbi.co.in/portal/documents/41076/73113967/SBI_SR_V11June.pdf/6c64194d-fd3b-4d23-b1fb-9498ff992f44; Canara Bank. 2016-17 Annual Report, pg. 44-45, available at http://www.canarabank.com/media/5122/cb_ar-2016-17-low-res-version.pdf.
[163] Asit Ranjan Mishra (21 March 2017). Livemint. "Bharatiya Mahila Bank to be merged with Sate Bank of India," available at http://www.livemint.com/Industry/YyskQYKmTfUB7mjCasl08H/Govt-decides-to-merge-SBI-and-Bharatiya-Mahila-Bank.html.
[164] The Smart Campaign (n.d.). Client Protection Principles, available at http://www.smartcampaign.org/about/smart-microfinance-and-the-client-protection-principles, (last accessed 6 November 2017).
[165] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 12.
[166] Sriani Ameratunga Kring et al (2009). International Labour Office (ILO). *Guidelines on Gender in Employment Policies*, pg. 47.
[167] Jonathan Woetzel et al. (2015), McKinsey Global Institute. *The Power of Parity: Advancing Women's Equality in India*, pg. 19.
[168] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 9.
[169] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 18.
[170] Plan International, Care, and Barclays (2015). *Banking on Change: Breaking the Barriers to Financial Inclusion*, pg. 14.
[171] *See, e.g.* Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 40-44; Alexa Roscoe et al. (2017). IFC. *Investing in Women: New Evidence for the Business Case*, pgs. 44-46.
[172] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 47.
[173] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 15.
[174] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 15.
[175] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 10.
[176] Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 50.
[177] IFC (2012). *Guidance Notes: Performance Standards on Environmental and Social Sustainability*, pg. 17, 31, 34.
[178] Foley Hoag LLP and UNEPFI (2015). *Banks and Human Rights: A Legal Analysis*, pgs. 17-18.
[179] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 204.
[180] Foley Hoag LLP and UNEPFI (2015). *Banks and Human Rights: A Legal Analysis*, pgs. 16-17.
[181] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 52.
[182] WWF (2014). *Environmental, Social, and Governance Integration for Banks: A Guide to Starting Implementation*, pg. 39.
[183] The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16*-21, pg. 15.
[184] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 54.
[185] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 54.
[186] Margaret Wachenfeld (2013). Institute for Human Rights and Business. *Investing the Rights Way: A Guide for Investors on Business and Human Rights*, pg. 3.

[187] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 54.
[188] Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pg. 54.
[189] *See, e.g.* The Thun Group of Banks (2013). *UN Guiding Principles on Business and Human Rights: Discussion Paper for Banks on Implications of Principles 16-21,* pg. 17; FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pgs. 10-11; Margaret Wachenfeld et al. (2016). UNEP Inquiry and Institute for Human Rights and Business. *Human Rights and Sustainable Finance: Exploring the Relationship*, pgs. 53-54.
[190] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 10.
[191] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 7.
[192] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pgs. 10-11.
[193] Author's review of public reports issued by the eighteen largest public and private Indian banks.
[194] ICICI Bank Ltd. *2016-17 Business Responsibility Report*, pgs. 3-7, available at https://www.icicibank.com/managed-assets/docs/investor/annual-reports/2017/icici-bank-ltd-business-responsibility-report-fy2017.pdf.
[195] SEBI (4 November 2015). *Circular Sub: Format for Business Responsibility Report (BRR).* CIR/CFD/CMD10/2015.
[196] CARE International (2015). *Adding Value to Value Chains: How to unlock the poverty-fighting potential of value chains*, pg. 6.
[197] The World Bank (n.d.). Employment in Agriculture, female (% of female employment). India statistics, 2010, available at https://data.worldbank.org/indicator/SL.AGR.EMPL.FE.ZS?locations=IN&name_desc=false&view=chart, (last accessed 6 November 2017).
[198] Thalia Kidder et al. (2004). *'Good Job' and Hidden Costs: Women Workers Documenting the Price of Precarious Employment.* GENDER AND DEVELOPMENT, VOL. 12, NO. 2, TRADE (Jul., 2004), pgs. 12-14.
[199] Thalia Kidder et al. (2004). *'Good Job' and Hidden Costs: Women Workers Documenting the Price of Precarious Employment.* GENDER AND DEVELOPMENT, VOL. 12, NO. 2, TRADE (Jul., 2004), pg. 14.
[200] CARE International (2015). *Adding Value to Value Chains: How to unlock the poverty-fighting potential of value chains*, pg. 6.
[201] Ruth Pearson (2007). *Beyond Women Workers: Gender CSR.* THIRD WORLD QUARTERLY, VOL. 28, NO. 4, BEYOND CORPORATE SOCIAL RESPONSIBILITY? BUSINESS, POVERTY, AND SOCIAL JUSTICE, pgs. 737-8.
[202] Beth English (2013). *Global Women's Work: Historical Perspectives on the Textile and Garment Industries.* JOURNAL OF INTERNATIONAL AFFAIRS, VOL. 67, NO. 1, The Gender Issue: Beyond Exclusion, pg. 72.
[203] Beth English (2013). *Global Women's Work: Historical Perspectives on the Textile and Garment Industries.* JOURNAL OF INTERNATIONAL AFFAIRS, VOL. 67, NO. 1, The Gender Issue: Beyond Exclusion, pg. 67.
[204] Beth English (2013). *Global Women's Work: Historical Perspectives on the Textile and Garment Industries.* JOURNAL OF INTERNATIONAL AFFAIRS, VOL. 67, NO. 1, The Gender Issue: Beyond Exclusion, pg. 68.
[205] Beth English (2013). *Global Women's Work: Historical Perspectives on the Textile and Garment Industries.* JOURNAL OF INTERNATIONAL AFFAIRS, VOL. 67, NO. 1, The Gender Issue: Beyond Exclusion, pg. 69.
[206] Beth English (2013). *Global Women's Work: Historical Perspectives on the Textile and Garment Industries.* JOURNAL OF INTERNATIONAL AFFAIRS, VOL. 67, NO. 1, The Gender Issue: Beyond Exclusion, pg. 72.
[207] Ministry of Commerce & Industry, Government of India (n.d.). "Special Economic Zones in India." Introduction, available at http://www.sezindia.nic.in/about-introduction.asp, (last accessed 6 November 2017).
[208] Thalia Kidder et al. (2004). *'Good Job' and Hidden Costs: Women Workers Documenting the Price of Precarious Employment.* GENDER AND DEVELOPMENT, VOL. 12, NO. 2, TRADE (Jul., 2004), pg. 17.
[209] D. Nagasaila (2014). "Gender Equality at the Workplace: A Frozen Agenda." In Kalpana Kannabiran (Ed.) *Women & Law: Critical Feminist Perspectives*, pgs. 157-59.

[210] D. Nagasaila (2014). "Gender Equality at the Workplace: A Frozen Agenda." In Kalpana Kannabiran (Ed.) *Women & Law: Critical Feminist Perspectives*, pg. 159.
[211] Ruth Pearson (2007). *Beyond Women Workers: Gender CSR.* THIRD WORLD QUARTERLY, VOL. 28, NO. 4, BEYOND CORPORATE SOCIAL RESPONSIBILITY? BUSINESS, POVERTY, AND SOCIAL JUSTICE, pg. 737.
[212] UNEPFI Human Rights Guidance Tool for the Financial Sector (n.d.). Mining and Metals Tab, available at http://www.unepfi.org/humanrightstoolkit/index.php, (last accessed 6 November 2017).
[213] Sara Bice (2011). *On the Radar? Gendered Considerations in Australia-based Mining Companies' Sustainability Reporting, 2004–2007*, pg. 145. *See also* I Katherine Miles et al (2009). GRI-IFC. *Embedding Gender in Sustainability Reporting: A Practitioner's Guide*, pg. 52.
[214] FFGI (2016). *Methodology for the assessment of responsible investment and financing policies of financial institutions*, pg. 48.
[215] UNEPFI Human Rights Guidance Tool for the Financial Sector (n.d.). Oil and Gas Tab, available at http://www.unepfi.org/humanrightstoolkit/index.php, (last accessed 6 November 2017)., also IFC & GRI, Embedding Gender in Sustainability Reporting, pg. 52, https://www.globalreporting.org/resourcelibrary/Embedding-Gender-In-Sustainability-Reporting.pdf.
[216] IFC & GRI, Embedding Gender in Sustainability Reporting, pg. 48, 52, https://www.globalreporting.org/resourcelibrary/Embedding-Gender-In-Sustainability-Reporting.pdf.
[217] Yvonne Braun, Reproduction of Inequality, pg. 239.
[218][218] UNEP FI Human Rights Guidance Tool for the Financial Sector, Services Tab.

Acknowledgements

This paper was written by Marian G. Ingrams during her tenure as a Fulbright-Nehru researcher at the National Institute of Public Finance and Policy, New Delhi. The author acknowledges the assistance of Namit Agrawal, Nirnita Talukdar, Ranu Bhogal, Julie Thekkudan, Diya Dutta and Nisha Agrawal from Oxfam India who contributed to the paper's production. She would also like to thank Dr. Lekha Chakraborty (NIPFP), Dr. Diane Elson, Debanshu Mukherjee, Shohini Sengupta, and Nivedita Saksena for insights offered at various stages.

For more information, or to comment on this paper, please contact: namit@oxfamindia.org

This publication is copyright but the text may be used free of charge for the purposes of advocacy, campaigning, education and research, provided that the source is acknowledged in full. The copyright holder requests that all such use be registered with them for impact assessment purposes. For copying in any other circumstances, or for re-use in other publications, or for translation or adaptation, permission must be secured.

The information in this publication is correct at the time of going to press.

Published by Oxfam India in December 2017.

OXFAM India

Oxfam India, a fully independent Indian organization, is a member of an international confederation of 20 organizations. The Oxfams are rights-based organizations, which fight poverty and injustice by linking grassroot interventions to local, national and global policy developments. For further information, please visit: www.oxfamindia.org