

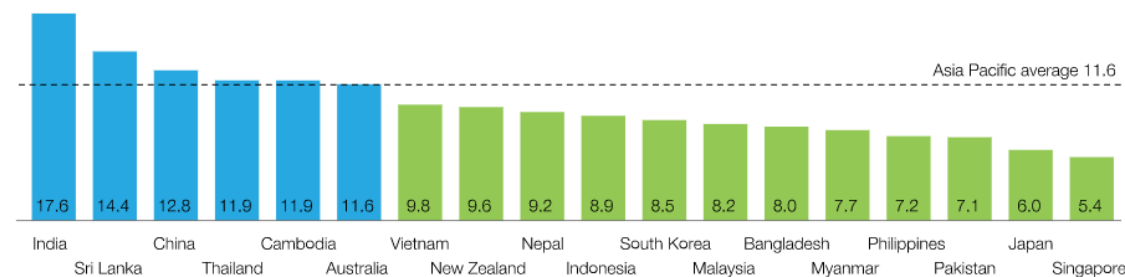
Gender Reporting in Sri Lanka

1 Business Case

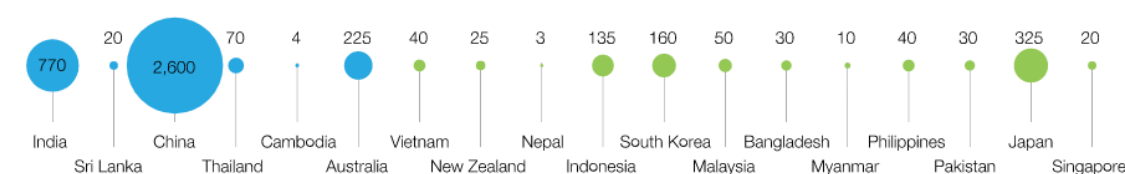
Research done by IFC and the McKinsey Global Institute (MGI) provide evidence of significant gender inequalities in Sri Lanka. Importantly, MGI in their report titled *The Power of Parity: Advancing Women's Equality in Asia & Pacific* ranks Sri Lanka 2nd in the list of countries to gain from improving gender equality.

Incremental 2025 GDP from improving gender equality at the best-in-region rate

2025 improvement above and beyond business-as-usual GDP, %



2025 improvement above and beyond business-as-usual GDP, \$ billion 2014



Source: IHS Markit; International Labour Organization; national statistical agencies; Oxford Economics; World Input-Output Database; Global Growth Model by McKinsey; McKinsey Global Institute analysis

McKinsey&Company

2 Current Gender Reporting Practices

2.1 Regulatory Reporting Practices

Both Australia and UK have made Gender Reporting mandatory for employers with more than 100 employees and 250 employees respectively. While UK reporting requirements are focused on the gender pay gap, Australia has a wider approach requiring corporates to report on policies and practices in place to drive gender equality. Requirements are specified in the UK by the Equality Act 2010 and in Australia by the Workplace Gender Equality Act 2012. Reporting requirements can be accessed using the following links:

<https://www.equalpayportal.co.uk/gender-pay-gap-reporting/>

<https://www.wgea.gov.au/sites/default/files/documents/WGEA-Reference-Guide-2019-v3.0.pdf>

2.2 Voluntary Reporting Practices

2.2.1 Global Reporting Initiative Standards

GRI Standards has a separate standard GRI 403: Diversity & Equal Opportunity which has very limited requirements which has been adopted by corporates in the country. Additionally, the following GRI standards also support gender disclosures:

- GRI 401: Employment,
- GRI 403: Occupational Health & Safety,

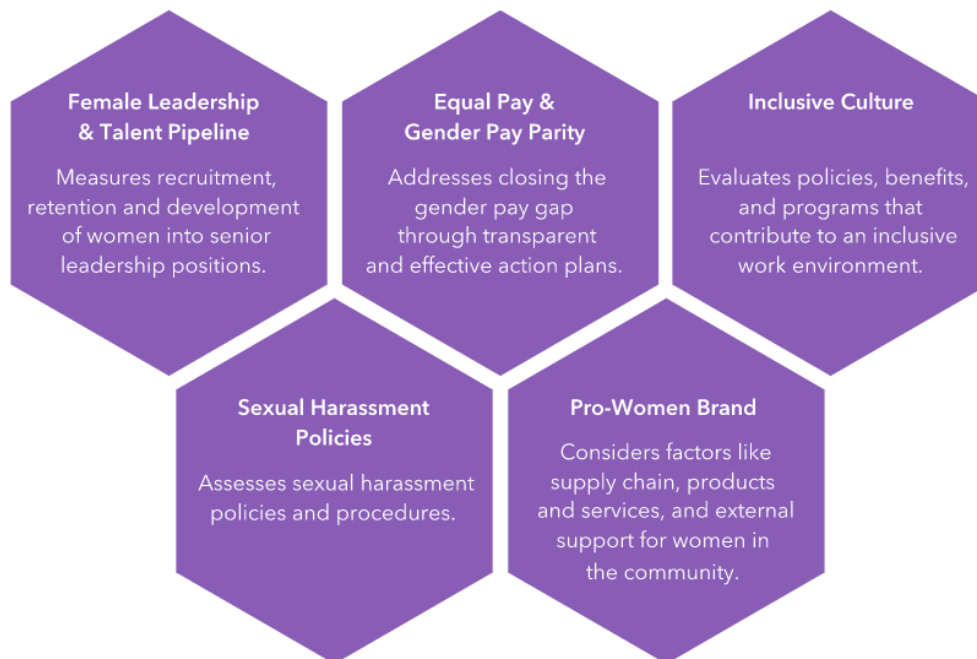
Prepared by the Women's Empowerment & Development Committee of the Institute of Chartered Accountants of Sri Lanka: 2019

- GRI 404: Training & Education

While these pave the way for gender reporting, they are insufficient to drive meaningful change in countries with significant gender inequalities.




2.2.2 Bloomberg Gender Equality Framework

The Bloomberg Gender Equality Index uses the related Framework given in Annexure IV to compile the Index. The 2019 index includes 230 companies headquartered in 36 countries and regions across ten sectors and can be viewed at https://s3.amazonaws.com/bb-us-east-1-wmkt-wordpress-content-stg/qa/company/sites/47/2019/01/2019-GEI-Index_Member-One-Pager.pdf



3 Proposal for Gender Reporting in Sri Lanka by Corporates

The following proposals have considered the requirements of the frameworks described above and adopted those that are deemed practical in the present circumstances.

Enablers 	Composition 	Gender Gap Indicators 	Responsible Brand 
<ul style="list-style-type: none"> • Diversity & Inclusion Policies • Gender Pay Equity Policy • Specific policies that prevent sexual harassment in the workplace • Strategies and goals for gender parity • Grievance mechanisms for sexual harassment at workplace • Workplace practices to promote gender parity 	<ul style="list-style-type: none"> • Governing Body • Senior Leadership • Middle Management • Other Major Employment Categories • Recruitments • Promotions • Key Departments • Major Geographic Location • Exits 	<ul style="list-style-type: none"> • Proportion of women in each pay quartile • Raw mean gender pay gap • Raw median gender pay gap • Proportion of females who received a performance bonus • Proportion of women in IT, Engineering and Production related activities • Proportion of women who received training • Training Hours analysed by gender • Retention of women at work 12 months after maternity leave 	<ul style="list-style-type: none"> • Evaluation of gender bias in advertising and communications • Products that support women's health and wellbeing, career advancement, education, access to finance or financial independence • Activities that support women in the supply chain

4 Renewing Criteria for Gender Reporting

It is recommended that these criteria be reviewed by the Women Empowerment & Leadership Committee of the Institute of Chartered Accountants of Sri Lanka on at least a biannual basis to ensure that the criteria remain relevant in the context of the evolving corporate reporting and gender inequalities landscape.