GENDER SMART | Unlocking Gender-Smart Capital At Scale

In partnership with 2X COLLABORATIVE

Engaging with the care economy

A guide for investors, employers and corporate actors

Brief 2

Supported by

IDRC · CRDI Canada

generation foundation

OPEN SOCIETY FOUNDATIONS

Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development and Cooperation SDC

Research partner KORE GLOBAL

Purpose and audience

This brief builds on Brief 1 that sets the scene of what the care economy covers, the types of business models and challenges to overcome. This adjacent primer is targeted for investors, in both private and public markets, employers and corporate actors who seek to engage in the care economy. It provides research, learning and best practice examples for exploring pathways to get involved. It answers the following questions: *Why invest? What is holding investment back? What are investment pathways for investors and employers? And, how to get started?* This brief does not prescribe ready-made solutions, but rather is intended to provoke thinking and provide a step-by-step to inspire next steps.

Key messages

- As outlined in the introduction, care work underpins and drives economic, social and environmental wellbeing. Care is fundamental to achieving sustainable development because the absence of care solutions and care-related support services inhibit women's economic empowerment and subsequently jeopardises progress towards equity and inclusion.
- Investing and engaging in care not only generates business return but also creates strong socio-economic impact by catalysing transformative gender action.
- Care work has historically been underrecognised and undervalued and has only recently, in large part due to the pandemic, gained more attention in the public sphere.[1,2]
- Despite the growing awareness, the care economy remains a nascent investment theme that lacks consensus around definitions, criteria, boundaries, and impact measurement and management (IMM) indicators.
- While evidence supporting the benefits of employer supported care abounds, investors need more data (country/market size, serviceable care segments, investable opportunities, types of models etc.) on the return of investing. As such stakeholders are at different stages of investing in and engaging with the care economy.
- Investors, across private and public markets, can take advantage of multiple entry points to engage in the care economy, which starts with defining what engagement could look like. Good employer-supported care policies are one of the most common entry points; albeit context specific and responsive to employees' diverse care needs. There is no one-size-fits-all solution.
    - For example, some approach this in terms of employee welfare and/or inclusive workplaces. Others who have a broader inclusive investing or DEI lens, approach the care economy to improve gender diversity. Some impact investors have care as part of their 'women's empowerment' portfolio.
- The care economy is well-aligned to the outcome expectations of impact-focused investors. For more mainstream private investors, there's an opportunity to integrate care at both portfolio and organisational levels. This could be integrating a care lens in screening, evaluation – such as analysing the impact of employer-supported care on portfolio performance and broader DEI objectives – and as part of a wider ESG lens.
- Mindsets need to evolve, shifting the view of care as a marginalised sector and associated with informality. While other sustainable investment themes have received priority, the care economy is ripe for more investment from the inclusive finance movement.
- For investors to invest in care, directly or indirectly, they need to incorporate care considerations throughout their customary decision-making and investment processes, incorporating an enhanced analytical approach and action steps. Furthermore, investing in care services and products have different considerations than asset-backed/based service such as a care home/assisted/supported living, and as such investors need to develop clear considerations on the different models, who pays for care, how care is delivered and more.

1 IWDA. *Care in Crisis* – *"Understanding the value of paid and unpaid care in the aftermath of COVID-19"*.
2 IFC, European Union, UN Women. *Bridging the Gap – Emerging Private Sector Response and Recovery Measures for Gender Equality amid COVID-19*.

What are the benefits of investing in care?

Evidence shows that investing in care is worthwhile. There are numerous examples showing employer-supported investments in care yielding returns in both business and employee performance (see case studies in annex 1). Corporate employers are seeing improvements in terms of financial performance, cost savings, and retention, especially of women and other under-represented groups.[3] For example, Vodafone instituted a global minimum maternity pay (16 weeks) after an analysis by KPMG showed worldwide cost savings of $19 billion per year.[4] Another example is Google which increased paid maternity leave from 12 weeks to 18 weeks, cutting the rate of new mothers leaving the company by 50%.[5]

Investing in care also supports the business and impact case for investors. Evidence shows that gender-diverse companies outperform their peers.[6] Care policies that enable better work-life balance such as flexible work and family leave play an important role in ensuring a diverse workforce.[7] Moreover, care policies help organisations recruit and retain more women in decision-making roles. They can also help mobilise greater capital towards women-led enterprises as female partners are two times more likely to invest in female entrepreneurs than their male counterparts.[8] As a whole, care policies can catalyse a virtuous cycle of positive outcomes for investors through the entire value chain.

Investing in care

Direct investments into care businesses and employer supported/workplace care policies.

Indirect investments (e.g. requiring at the portfolio level employer-supported/workplace care policies, community, etc.)

For impact investors, specifically those integrating a gender lens, investing in care is highly relevant. Care is an enabler or inhibitor across the five dimensions of gender equity.[9,10] It plays an important role in achieving specific sustainable development goals such as SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced inequalities). It also influences the delivery of all the other SDGs. The care economy presents a promising area of investment that can successfully deliver on the dual outcomes – impact and return – sought by impact investors.

3 EBRD and ICRW. "*Maximising Competitiveness.: Firms That Help Workers Balance Care and Work Reap Rewards*".
4 Julia Fish., *Gender Lens Investing in Public Markets: It's More Than Women at the Top*.
5 World Economic Forum."*How did Google halve the drop-out rate of new mothers?*" February 2, 2016.
6 IFC. *Moving towards gender balance in Private Equity and Venture Capital*. 2019.
7 PRI. "How Investors can advance decent work."
8 Ibid.
9 *Equileap. "Equileap Gender Scorecard."*
10 World Benchmarking Alliance. "*Gender Baseline Report*", September 2020.

Barriers to overcome to spur more investment activity towards the care economy

A mindset shift is needed. Traction needs to be built around viewing care as a lever for gender equality and a value creator. Investing in care spurs economic, social and environmental dividends, but integrating care considerations in business or investment decisions is a nascent concept for many. Despite its widely recognised catalytic and transformative impact potential, it has not received the priority attention of other sustainable investment themes. Investors and employers will need a shift in mindset to internalise the value of care and formalise care in decision making.

Investors and employers need to care about care. They need to understand its impact and value – both societal and financial. And they need to prioritise it. This may be challenging in the context of a large employer or public markets investor, who largely don't prioritise gender equality broadly; or, if they do, they mostly focus on leadership diversity. But care is essential – to a functioning society, economy and business – and it needs to be treated as such.

Danielle Burt, Gender Advisor and former Gender Lead at World Benchmarking Alliance

Investing in the care economy is layered and the *impact* Return on Investment (ROI) needs unpacking. The care economy is a new investment category that is large, layered and diverse. The fact that there is not yet harmonisation around key definitions nor widely accepted analytical frameworks nor common IMM metrics makes it difficult for impact-focused investors to rigorously make the case for investing in care, evaluate and articulate the business return and social impact. Currently, for the majority of investors, due diligence processes, analytical and measurement frameworks are not yet adapted to the nuances of care.

It should not be just about the investment, how much does childcare support cost me and can I recuperate the cost, in terms of straightforward/ linear transaction, vis a vis the investor or consumer of childcare. The question is what other benefits can the investment realise? What other parameters may I want to take into consideration for my cost-benefit analysis to make that investment more attractive? Where are the positive spill-over effects, so that I can maximise my return elsewhere in the organisation.

Carmen Niethammer, Senior Gender Specialist at European Investment Bank (EIB)

There is a perception that risks outweigh rewards. The perceived high-risk profile, unclear returns and context-specific nature of the work contribute to negative investor perceptions of care businesses. A perception that is reinforced by societal undervaluation of care work. Even investors with more impact focus find it difficult to invest due to the early-stage nature of many care businesses and their capital needs, which tend to be a mismatch with investor requirements.

Deep dive: Challenges to measuring and benchmarking care economy investments

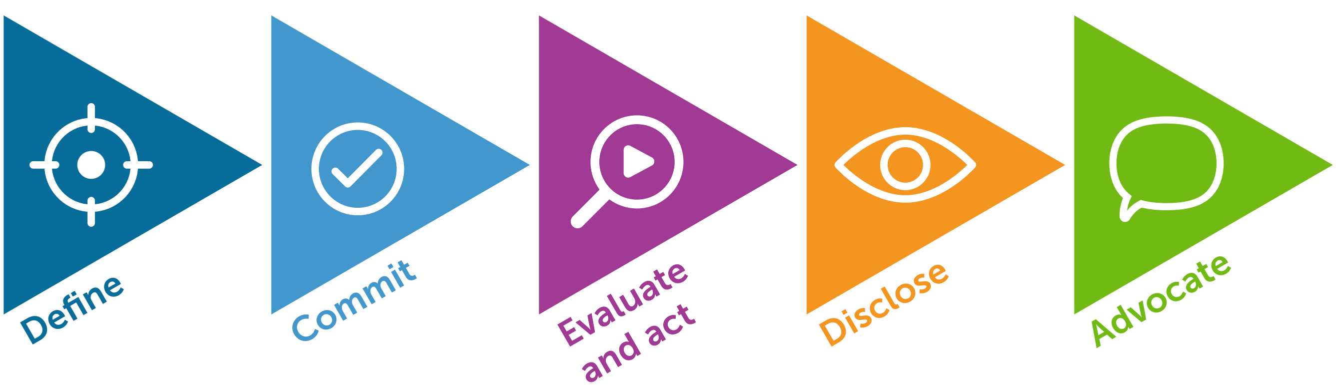
The impact of care business investments is difficult to quantify. This makes it challenging to identify measurable indicators and determine the right measurement strategies. The issue is exacerbated by the absence of benchmarking data and tools for investors to rigorously evaluate and compare investment performance. These issues are not new to impact investors. That is why there has been a proliferation of benchmarking tools in recent years. These include the IRIS+ Impact Performance Benchmark, and 60 Decibels impact performance benchmarks for agriculture, off-grid energy, financial inclusion and education. The newness of the care economy investment category and the context specific nature of the impact which requires more qualitative data, however, remain formidable obstacles to rapidly developing and deploying measurement and benchmarking tools.

Taking the 2X Criteria as an example, the care economy could be integrated in terms of women-owned/led care businesses, the inclusiveness of the leadership and governance tables, existence and uptake of enabling workplace policies and practices – across the value chain and providing lending to local financial institutions for the purpose of on-lending to small and medium sized enterprises (SMEs) focused on the care economy.

How can we start and/or deepen investments in the care economy?

With any new investment topic, it can seem overwhelming for investors and employers to identify how and where to start. This is especially true when there are few specialised frameworks and tools to draw upon. The framework presented below has been developed to provide action steps for investors and employers seeking to start or level up their position on gender.[11] For example, move from gender-neutral to gender-aware, responsive or transformative (annex 3). It is adapted from popular gender lens investing frameworks (Criterion Institute, MITD-Lab, GenderSmart Investing) and takes into consideration the specificities of care economy investing (Boston Common Asset Management, Oxfam and Unilever). The framework has been developed to provide guidance for all investors and employers (including care-specific employers),

Figure 1: Engaging in the care economy



11 This is adapted from Oxfam, Unilever (2019), 'Business Briefing on Unpaid Care and Domestic Work', Boston Common Asset Management (2022), 'Investor Guidance for Prioritizing Gender'

Step 1: Define

The first step to investing in the care economy requires organisations to acknowledge and define 'what' the relevance of the care economy is to their stakeholders (i.e. employees, portfolio companies, suppliers), 'how' it affects them and their people, and pinpoint 'where' they are as an organisation in terms of diversity, equity and inclusion and their wider gender-smart orientation. Collectively, this information is key to designing care policies and in turn funding solutions, capital and non-capital support in ways that are relevant, right-sized and impactful.

Step 2: Commit

The next steps can span: i) starting the process of developing a dedicated investment thesis and strategy, ii) developing organisational commitments such as public announcements or corporate targets, or iii) leveraging the baseline portfolio highlights to explore opportunities on how a care lens can be integrated into the investment approach.

Step 3: Evaluate and act

Beyond investment approaches and strategies, investment organisations and teams can build off the above steps to further mainstream care in policies, practices, decision-making and action(s) to support stakeholders (i.e. employees, portfolio companies, suppliers) with their care commitments. For example, a DFI could lend to local financial intermediaries and incentivise their financial institution partners to on-lend to local care providers. They can also provide technical assistance to help such care providers to enhance key aspects like quality, sustainability, and accessibility of care.[12] For 'care-specific' businesses, these actions should also improve the income and wellbeing of the care workers.

Step 4: Disclose

As transparency and accountability are core principles for gender-smart investors and corporates, monitoring, analysing and, importantly, disclosing relevant data are key to holding organisations accountable and showing progress. Though challenging at this time for the reasons cited in the previous section, this data is essential to proving the business case. Moreover, by disclosing the data and scrutinising relevant care metrics across the full value chain, they can set good examples for the industry.

Step 5: Advocate

Care is far from being mainstreamed in investment decisions. While some aspects of gender equity and inclusion efforts automatically include care, there is a lack of recognition about how significantly care affects investor returns and business performance. Data, evidence and examples from practitioners are key to changing this situation. In addition to sharing experience, organisations can forge partnerships with ecosystem players (e.g. Financial Institutions, NGOs, etc.) to mainstream care in relevant policy and development initiatives.

Investments should accrue tangible benefits for the employer and ensure adequate quality of care for care recipients. Note that investments in care businesses should lead to greater inclusion and improve the earning, dignity and wellbeing of care workers in terms of wages, labour rights, human rights and social protection (across relevant intersectional dimensions)

12 https://www.tandfonline.com/doi/full/10.1080/20430795.2022.2030662?tab=permissions&scroll=top

What could investment and broader engagement look like?

A Private markets investors

Investing in the care economy can take the form of i) directly investing in care businesses, ii) integrating a care lens into broader gender-smart investing strategies, iii) influencing care policies in portfolio companies, iv) enhancing care policies in the investor workplace and/or v) supporting community efforts and field building (table 1). The entry point(s) will depend on investors' respective strategic priorities, risk-return profile, asset class focus and other capital boundaries. Identifying appropriate entry points is part of the 'Define' step where the investors can assess the relevance of care for their respective organisations. Private investors include a wide range of providers across the spectrum of capital, including but not limited to Institutional Investors such as IFIs (e.g., Development Finance Institutions (DFIs), Multilateral Development Banks (MDBs)), Investment funds (e.g., Private Equity (PE), Venture Capital (VC), and impact focused investors (Gender Lens Investors, Sustainable finance), among others.

Private investors include the following:

- Institutional Investors
- Private Equity, Venture Capital
- Impact Investors

It is really about the value add, because, when it comes to a win-win-win situation where employers, caregivers, and communities benefit. For example, not every infrastructure project may necessarily require childcare facilities. But infrastructure projects could take a lifecycle approach, where over time and depending on the need of the potential users, infrastructure facilities can easily be converted to serve different purposes. Mass transit projects may also want to explore if they can facilitate easy and affordable access/transport to care providers. That's what the conversation could be.

Carmen Niethammer, Senior Gender Specialist at European Investment Bank (EIB)

Table 1. Illustrative actions for investors in private and public markets

Investing in care businesses
▶ Sourcing care and care-adjacent businesses ▶ Structuring dedicated facilities/funds for care businesses ▶ Targeted support (i.e. capacity building) to build care focused pipeline ▶ Impact monitoring and measurement (IMM)
Integrating a care lens into gender-smart investing strategies
▶ Enhancing the gender-smart analytical framework and process metrics to include care economy considerations across the portfolio (sectors, themes, etc.) ▶ Illuminating examples of how this care lens applies in climate finance, infrastructure investments, etc.
Care policies in investor workplace
▶ Newborn support (i.e. parental leave) ▶ Early childhood support (i.e. childcare support) ▶ Other care support (i.e. long term care leave) ▶ Family friendly policies (i.e. flexible work)
Influencing/enforcing care policies and considerations in portfolio companies
▶ Evaluating care policies during deal sourcing and due diligence ▶ Targeted investment management support for mainstreaming care ▶ Impact monitoring and measurement (IMM)
Supporting community initiatives and field building
▶ Sharing data and advocacy for the investor community ▶ Building the collective data bank of investable opportunities, examples of what good looks like

PEs, VCs and institutional investors are starting to implement care policies in the workplace. This is in recognition of the relevance of care to DEI performance and increased focus on ESG and impact.[13] While there has been progress, considerable gaps remain in mainstreaming care policies in the workplace among investors.[14] LPs can play an important role in influencing the adoption of care policies and holding GPs accountable. For example, Institutional Limited Partners Association (ILPA), a DC based trade association of LPs mandated the inclusion of family leave policies in its Due Diligence Questionnaire (DDQ) for its GPs and their portfolio companies, demonstrating practical steps LPs can take to influence care policies (detailed case study in annex 1).

Direct investments into the care economy have long been part of private investors' portfolios, but specifically in more mature markets and developed economies. Oftentimes these investments are likely to have occurred because the market (e.g., health, education, infrastructure) and underlying business model corresponded with the investor priorities, not necessarily reflecting a core focus on the care economy.

When it comes to dedicated focus on the care economy, relative to other private investors, select International Financial Institutions (IFIs), such as DFIs and MDBs, are among the first movers. For example, DFIs have invested in care providers in the healthcare and education sectors and some MDBs have invested in private sector providers

13 Care, PWC, Storebrand. "*Investing in Gender Equality*". 2019.
14 Riche, Nina Le, et al. "Advancing more women leaders in financial services: A global report." *Deloitte Insights,* 16 June 2022,

of childcare,[15, 16] elderly and disability care in Europe. DFIs have also engaged indirectly through concessional funds to support local care providers and invest in innovative care providers through PE funds.[17] However, investability challenges such as small deal size and capital mismatch limit direct investments, particularly in emerging markets. Instead, they include care considerations in larger infrastructure investments (e.g. adjacent/indirect market) and enforce care policies in portfolio companies. For example, as part of the European Investment Bank (EIB)'s investment in Bangalore metro line construction, EIB facilitated dialogue with public authorities on access to childcare for metro workers. There is also an opportunity to support blended finance solutions and more innovative mechanisms that leverage the full spectrum of capital.

IFIs' influence over care policies depends on the stage at which they join the deal. Joining at a later stage will limit their influence over project design. Some of the care policies promoted by DFIs among their investees include paid parental leave, flexible working arrangements (including staggered start time, job sharing, home office and part-time work), and on site childcare, in selective cases, enabled through technical assistance.[18]

Sharing data and advocating for care among the investor and business community is another way IFIs are engaging in care. IFC's comprehensive guidance on employer supported childcare is an example of coupling evidence with practical advice on how businesses can be a part of the solution on childcare. There is considerable room to systematically integrate care in investment decision-making, especially in structuring investment, IMM and thought leadership.[19]

Investing directly into care businesses is still nascent but a handful of trailblazing investors are showing the way. A small group of boutique impact investors, including OSF,[20] Pivotal Ventures, Springbank Collective and gender-smart investors are showing that direct investments into care businesses are feasible. While these investments are at an early stage, the evidence and learning generated is crucial to attract more investors and crowd in further capital. For example, in 2021, Open Society Foundation's (OSF) Impact Investing arm, Soros Economic Development Fund, invested in a care business focused on domestic work in Latin America. Prior to deploying capital, OSF developed an investment and measurement strategy for the care economy followed by research on the local care economy as well as a viability assessment of the business model (detailed case study in annex 1).

B Public markets investors

For investors focused on public markets, integrating the care economy as a lens could entail: i) Analysing companies and listed investment products through a care lens by diving deeper into disclosure of care policies (across newborn support (i.e., parental leave), early childhood support (i.e., childcare support), long term care leave), family friendly policies (i.e., flexible work); ii) Understanding the uptake of these policies and implications on employee wellbeing, hiring/retention/attrition rates; iii) Influencing care policies in listed organisations with active shareholder engagement, advocacy and spurring initiatives and dialogues on care during the investment management cycle.

> Public market investors include individual and institutional investors who invest through publicly traded securities in the securities exchange and thus are obliged to follow respective national and exchange specific regulatory framework(s). They can invest in public equities, debt and other traded financial products and solutions.

In the public markets, there is growing research and dialogue on the effects of diversity on long term performance. As a result, an increasing number of exchanges require companies to disclose data related to the ratio of women in leadership, senior management and workforce. As of August 2021, all companies listed on the US NASDAQ stock exchange are required to publicly disclose consistent, transparent diversity statistics about their board of directors.[21] Investors are increasingly focusing on workplace diversity, in addition to board

15 Donnell, Megan O., et al. "*A Review of Multilateral Development Banks' Investments in Childcare*". 2021.
16 Oxfam. "From commitment to action: Donor investment in the care economy and feminist programming." *Oxfam library*, 2022.
17 Jessica Espinoza Trujano and Anne-Marie Lévesque. *Development finance institutions and the care economy: opportunities for building more resilient and gender-equitable economies.* 2022. Journal of Sustainable Finance & Investment, 12:3, 704-723, DOI: 10.1080/20430795.2022.2030662
18 Ibid.
19 Bretton Woods Project. *The World Bank and gender equality- Development Policy Financing*. 2022.
20 https://www.opensocietyfoundations.org/newsroom/open-society-foundations-pledge-20-million-to-support-green-infrastructure-inclusive-economic-opportunity-and-democracy-reforms
21 U.S. Securities and Exchange Commission. "*Statement on Nasdaq's Diversity Proposals – A Positive First Step for Investors,*" Aug 6, 2021.

diversity.[22] And, tools such as Equileap's Scorecard, which assesses a company's gender equality performance, from the board to the supply chain, can help to deepen public market investors' understanding of how the care economy fits into their portfolios. While gender-smart public markets activity is shallower in emerging markets, there is an opportunity for investors to leapfrog and build this care economy analysis into approaches.

However, outside of women in leadership, public companies are not required to and rarely share data across the five dimensions of gender equity. According to the World Benchmarking Alliance (2020) on disclosures on compensation and benefits of apparel companies, of the 36 companies they analysed, none disclosed information on family-friendly benefits to workers in their supply chain, and only one company explicitly referenced a best practice standard for maternity leave provisions.[23] This reporting void stunts industry progress.

Gender, impact and sustainability lens products in the public markets take a slightly broader view on gender equity. Just over 20% of public gender lens investment products focus on other measures of gender equity including the pay gap, increasing women's representation in mid-level and junior roles, facilitating work-life balance and expanding women's access to benefits.[24] For example, Bloomberg included care policies as disclosure and performance requirements in its Gender Equality Index (detailed case study in annex 1) and BM & FBOVESPA, Brazil included care policies in the disclosure requirements for its Corporate Sustainability Index (detailed case study in annex 1). While such examples are few in number, they indicate an increased level of awareness and willingness to mainstream care in investment decision making and provide a foundation to take further tangible action on mainstreaming care. However, more clarity is needed on how to go deeper.

Publicly listed companies need to have clarity on what good practices are so that they can start and improve their practices over time.

We need to evolve how we understand and evaluate care in a company context. Until now, the prevailing approach is binary: Do you or don't you have a care policy? This is a starting point, but it's more complex than that. Building on the presence or absence of a care policy, we can then begin to evaluate the quality of that policy. For example, how long and with what level of compensation does this paid leave policy extend? By clarifying what good looks like, we can encourage better employer practices over time.

Danielle Burt, Gender Advisor and former Gender Lead at World Benchmarking Alliance

C Employers and corporate actors

Designing care policies/solutions for the workplace is a common and established practice. Other ways for employers to engage in care include: establishing and enabling care policies (related to parental leave, child or elder care, other forms of leave and flexible work) for the supply chain; evolving the development and marketing of products/services related to care; considering businesses' impacts on community-based care needs.[25,26] Care policies in a firm's supply chain, such as care policies and practices for suppliers, human rights due diligence and capacity building, have the potential to create large-scale impact and business returns.[27] However, except for a few leaders (e.g., Nike and Primark), who are testing different models, this is largely absent from current practices.[28]

22 Emily Thomas. *Why Gender Diversity may lead to better return for investors*. Mar 7, 2022.
23 World Benchmarking Alliance, '*Gender Baseline Report*', September 2020.
24 Julia Fish. *Gender Lens Investing in Public Markets: It's More Than Women at the Top*, Unknown, *Glenmede Website*.
25 UNICEF. "*Family-Friendly Workplaces – Policies and Practices to Advance Decent Work in Global Supply Chains*".
26 Bill and Melinda Gates Foundation. "*Investing in child care: good for families, good for children, good for economies*". 2022.
27 UKAid. "*Unpaid and unrecognised How business can realise the benefits of tackling women's invisible labour*". 2021.
28 UKAid. "*The Double Day – Exploring unpaid work and care for female garment workers in Bangladesh*". 2020.

Context matters-relevance, impact and choice of care policies needs to be tailored. For example, in Sri Lanka, the long history of civil conflict has resulted in high levels of widowhood (23% of households are female-headed) and low formal employment in conflict-prone areas. At the same time, Sri Lankan public investment in early childhood development, at .0001% of GDP, is one of the lowest in the world. This context has led to returns on investment as high as 13.7% on employer-supported early childhood programs.[29]

There are no one-size-fits-all solutions. Good care policies are context-specific and responsive to employees' diverse care needs. A company's context, capacity (e.g., financial and human resource), DEI ambitions (if applicable), coupled with policy relevance and potential impact on their workforce and broader business performance objectives will determine the selection, prioritisation and implementation of care policies. For example, Grupo Altex, a large scale food processor in Mexico invested in setting up childcare facilities. With 7000 employees, this investment not only helped them reduce absenteeism and improve employee retention but also bolstered their reputation locally and globally (detailed case study in annex 1). Another example is The Body Shop, which invested in understanding and rewarding unpaid labour in their supply chain to uphold their commitment towards better resilience and sustainability in the supply chain (detailed case study in annex 1).

> Employers include the decision makers in any public, private and non-government organisations. In the context of this brief, investors themselves are also employers, so are portfolio companies.

Among employers implementing care policies, the focus tends to be on a few well-known issues such as parental leave and childcare. Elder care and other forms of care support stand to receive more attention, given future demand. Globally, the proportion of people aged 65 and older is projected to increase from 9.3% in 2020 to 15.9% by 2050[30] and in countries without state sponsored solutions, like many in Asia, this trend will place an even greater burden on the workforce, and women in particular. An interesting example is the Intercontinental Hotel Group (IHG), China which introduced an innovative relocation program to support employees with their elderly care commitments (detailed case study in annex 1).

Table 2. Illustrative actions for corporate actors

Enhance care policies for the workplace	Being active advocates of the care economy
▶ This includes developing context-specific (regional, accounting for social norms etc.) policies across parental leave, childcare support, long term care leave, family friendly policies, and iterate based on feedback and uptake.	▶ Large MNCs for instance can develop care focused products and services such as time saving technology for cleaning. There is also an opportunity to revisit and reframe the care narrative via more inclusive advertising (i.e., involving men in care). Finally family friendly distribution can be enhanced too.
Developing care policies in the supply chain	**Being an active community leader**
▶ An untapped opportunity is exploring how better workplace care policies and practices with suppliers can be put in place. This could be via leveraging deeper human rights due diligence, more inclusive procurement policies, facilitating supplier awareness around why and how a care lens matters, and by capacity building.	▶ Corporate actors can provide support to community-led care organisations and be more engaged with public sector actors around policy shifts, regulatory changes and more. Particularly given the migration lens that intersects with care workers in particular, and related implications on financial inclusion and fintech, a broader stakeholder approach and field-level advocacy and action is very welcome.

Adapted from: BCAM (2022), Investor Brief, 'Investor Guidance for Prioritising Gender'

29 IFC. "*Tackling childcare, The business case for employer supported childcare in Sri Lanka*". 2018.
30 Gu, Andreev, et al. *Major Trends in Population Growth Around the World*. PMC Journal. 2021.

Care policies in the workplace

In the UK, insurance company Aviva offers 12 months of parental leave, including 26 weeks at full pay which has encouraged new fathers to take parental leave (source: Oxfam, Unilever, 2019).

Intesa Sao Paolo, Brazil developed Mamma@Work, a highly subsidized financing solution meant to support new mothers in their work/life integration (source: IFC).

McCann Yerevan, Armenia initiated individual one-to-one meetings with employees with children to review their schedule and provide them with flexible work schedules during COVID-19 (source: IFC).

How can investors and employers get started?

Start widening the aperture around care. For some, this may first require a mindset shift about the ROI of investing in care, while for others it starts with coming together and working collaboratively to reduce the obstacles to investing in the care economy. Gender-smart investors can also leverage underlying gender analysis frameworks that map the spectrum of neutral to transformative action (see annex 3) to see what getting started and pursuing transformative options looks like. Priority action areas for investors, employers and other care economy advocates include:

- Harmonising around definitions and aligning on what good looks like- in terms of business models, best practices, capital needed, analytical tools, impact and outcome indicators
- Supporting more flexibility- across the types of capital, technical expertise and innovation in care business models

Take your seat at the table. Increasing investment flows into the care economy requires investors and employers to join care advocates and other ecosystem actors (e.g. government, NGOs, etc.) in raising awareness and testing solutions to overcome barriers facing care businesses. Collecting and disseminating this information will accelerate the pace of experimentation and level of engagement and further reduce obstacles.

Acknowledgements

This brief is a co-creation of Zannatul Ferdous and Holly Lard Krueger of The Canopy Lab and Sana Kapadia and Swati Pujari of GenderSmart. The authors would like to acknowledge the generous contributions of GenderSmart and 2X Collaborative's Care Economy Steering Committee, working group members, and specifically: Alice Allan (Business Fights Poverty) , Ana Gabriela Chinchilla (Alianzas Estratégicas en Alterna Center for Social Innovation and Entrepreneurship), Anita Gurgel and Lauren Gula (IFC), Carmen Niethammer (European Investment BAnk), Daan Besamusca (Open Society Foundation), Danielle Burt (Independent Gender Advisor), Elena Espinoza (UNPRI), Emma Caddy (Tiny Totos), Jennifer Buckley and Rowena Reyes (Sweef Capital), Jona Repishti (ICRW Advisors), Luis Marquez, Seema Bhatia-Panthaki (Value 4 Women), Marcela Pinilla (Zevin Asset Management) and Dr. Rebecca Calder and Aurelie Faugier (Kore Global).

References

Bill and Melinda Gates Foundation. *"Unpaid Care Work and Women's Economic Empowerment"*. 2017. Bill and Melinda Gates Foundation Website, https://www.gatesfoundation.org/equal-is-greater/static/Unpaid%20care%20work-575fb6baaebbe7a4ded72efee07e2b2c.pdf.

Bill and Melinda Gates Foundation. "*Investing in child care: good for families, good for children, good for economies*". 2022. *Gates Foundation website*. https://www.gatesfoundation.org/ideas/articles/investing-in-child-care-good-for-economic-growth.

Boston Common Asset Management. "*Investor Guidance for Prioritizing Gender*". June 2022. *BCAM website*, https://bostoncommonasset.com/wp-content/uploads/2022/06/BCAM-Investor-Guidance-for-Prioritizing-Gender-June-2022.pdf.

Bretton Woods Project. "*The World Bank and gender equality-Development Policy Financing*". 2022. Retrieved from https://www.brettonwoodsproject.org/wp-content/uploads/2019/08/The-World-Bank-andGender-Equality-DPF-2.pdf

Care, PWC, Storebrand. "*Investing in Gender Equality*". 2019. *Equileap website*, https://equileap.com/wp-content/uploads/2019/10/Investing-in-Gender-Equality_PwC_2019.pdf.

Criterion Institute. *"Gender Lens Investing Tool: Designing an Action Plan." Criterion Institute*, Unknown, https://criterioninstitute.org/resources/gender-lens-investing-tool-designing-an-action-plan. Accessed 21 October 2022.

Donnell, Megan O., et al. *"A Review of Multilateral Development Banks' Investments in Childcare*". 2021. Center for Global Development website, https://www.cgdev.org/sites/default/files/multilateral-development-banks-investments-childcare.pdf.

EBRD and ICRW. "*Maximising Competitiveness.: Firms That Help Workers Balance Care and Work Reap Rewards*". Unknown. *ICRW website*, https://www.icrw.org/wp-content/uploads/2019/07/EBRD-PrivateSect-Brief_d3-digital.pdf.

Emily Thomas. "*Why Gender Diversity may lead to better return for investors*". Mar 7, 2022. *Morgan Stanley Website*. https://www.morganstanley.com/articles/gender-diversity

Equileap. "*Equileap Gender Scorecard." Equileap website*, https://equileap.com/wp-content/uploads/2020/12/EquileapGenderScorecard-2020.pdf. Accessed 10 08 2022.

FP Analytics. "*Elevating Gender Equality in COVID-19 Economic Recovery, An evidence synthesis and call for policy action*". Unknown. *FP Analytics website*, https://genderequalitycovid19recovery.com/.

GenderSmart Investing. "JEDI Investing Principles." *GenderSmart JEDI Investing Toolkit*, Unknown, https://jediinvesting.com/jedi-investing-principles. Accessed 21 10 2022.

Julia Fish. *Gender Lens Investing in Public Markets: It's More Than Women at the Top*, Unknown, *Glenmede Website*, https://www.glenmede.com/insights/gender-lens-investing-public-markets-more-than-women-at-top/

IFC. *Tackling Childcare: A Guide For Employer Supported Childcare*. 2019. *IFC website*, https://www.ifc.org/wps/wcm/connect/da7fbf72-e4d9-4334-955f-671a104877a7/201911-A-guide-for-employer-supported-childcare.pdf?MOD=AJPERES&CVID=mVHadh3.

IFC. "*Tackling childcare, The business case for employer supported childcare in Sri Lanka*". 2018. *IFC Website*. https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/gender+at+ifc/priorities/employment/SriLanka_Tackling_Childcare

IFC, European Union, UN Women. *Bridging the Gap - Emerging Private Sector Response and Recovery Measures for Gender Equality amid COVID-19*'. Unknown. *IFC website*, https://www.ifc.org/wps/wcm/connect/46e7eeed-307b-46f7-90bc-e50046a0b610/202012_Bridging_the_Gap_UNWomen_IFC.pdf?MOD=AJPERES&CVID=npd30Y-.

IFC. *Moving towards gender balance in Private Equity and Venture Capital*. 2019. *IFC Website*. https://www.ifc.org/wps/wcm/connect/79e641c9-824f-4bd8-9f1c-00579862fed3/Moving+Toward+Gender+Balance+Final_3_22.pdf?MOD=AJPERES&CVID=mCBJFra

ILO .'*Care Work and Care Jobs for the Future of Decent Work*'. *ILO Website*. 2018. Op. cit. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_633135.pdf

ILO. *Care at workplace - Investing in care leave and services for a more gender equal world*'. 2022. *ILO website*, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_838653.pdf.

IWDA. Care in Crisis - "*Understanding the value of paid and unpaid care in the aftermath of COVID-19*". Unknown. *IWDA publication*, https://iwda.org.au/assets/files/IWDA_CareinCrisis_Final.pdf.

Jessica Espinoza Trujano and Anne-Marie Lévesque. "*Development finance institutions and the care economy: opportunities for building more resilient and gender-equitable economies*". 2022. Journal of Sustainable Finance & Investment, 12:3, 704-723, DOI: 10.1080/20430795.2022.2030662

MITD-Lab. "Gender Lens Investing Series: Three Tools." MITD-Lab website, 2022, https://d-lab.mit.edu/resources/publications/gender-lens-investing-series-three-tools. Accessed 21 10 2022.

Oxfam. "From commitment to action: Donor investment in the care economy and feminist programming." Oxfam library, 2022, https://42kgab3z3i7s3rm1xf48rq44-wpengine.netdna-ssl.com/wp-content/uploads/2022/03/Donor-investment-in-the-care-economy_final.pdf. Accessed 24 10 2022.

Oxfam and Unilever. "Business Briefing on Unpaid Care and Domestic Work." *Oxfam website*, June 2019, https://oxfamilibrary.openrepository.com/bitstream/handle/10546/620764/bp-unpaid-care-domestic-work-business-040619-en.pdf;jsessionid=F555EE50BEA3FD146-80F8BCAB6AF6D05?sequence=3. Accessed 21 10 2022.

Gu, Andreev, et al. "*Major Trends in Population Growth Around the World*". PMC Journal. 2021. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8393076/

PRI. "How Investors can advance decent work." *PRI website*, 2022, https://www.unpri.org/human-rights/how-investors-can-advance-decent-work/10190.article. Accessed 24 10 2022.

Riche, Nina Le, et al. "Advancing more women leaders in financial services: A global report." *Deloitte Insights*, 16 June 2022, https://www2.deloitte.com/za/en/insights/industry/financial-services/gender-diversity-in-global-financial-services.html.

The Holding Co and Pivotal Ventures. "*Investors Guide to the Care Economy*". The Holding Co Website. 2021. https://www.investin.care/

UKAid. "*The Double Day - Exploring unpaid work and care for female garment workers in Bangladesh*". 2020. *UKAid publication,* https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/903073/The-Double-Day-WOW-Primark-Unpaid-Work-Care-Report-July2020a.pdf.

UKAid. "*Unpaid and unrecognised How business can realise the benefits of tackling women's invisible labour*". 2021. *UKaid publication*, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/989567/Unpaid-and-Unrecognised1.pdf.

UNICEF. "*Family-Friendly Workplaces - Policies and Practices to Advance Decent Work in Global Supply Chains*". Unknown. *UNICEF website*, https://www.unicef.org/media/85516/file/UNICEF%20UNGC%20family%20friendly%20workplaces.pdf.

U.S. Securities and Exchange Commission. "*Statement on Nasdaq's Diversity Proposals – A Positive First Step for Investors*," Aug 6, 2021. https://www.sec.gov/news/public-statement/statement-nasdaq-diversity-080621

World Benchmarking Alliance. "*Gender equality & empowerment benchmark.*" World Benchmarking Alliance Website, 2018, https://assets.worldbenchmarkingalliance.org/app/uploads/2020/09/181106GEEB-scopingreport.pdf. Accessed 24 10 22.

World Benchmarking Alliance. "*Gender Baseline Report*", September 2020. Available at: https://www.worldbenchmarkingalliance.org/publication/gender/.

Working Group is in partnership with the 2X Collaborative

World Economic Forum."*How did Google halve the drop-out rate of new mothers?*" February 2, 2016. *WE Forum website.* https://www.weforum.org/agenda/2016/02/how-did-google-halve-the-drop-out-rate-of-new-mothers

Annex 1: Case examples

Institutional Limited Partners Association (ILPA): Including care policies in DDQ[31]

ILPA is a premier trade association for LPs in the PE asset class, representing more than 475 institutions and US$2 trillion of PE assets under management. ILPA aims to maximise the performance and influence of LPs on an individual and collective basis.

▶ Define

ILPA views care from the Diversity, Equity and Inclusion (DEI) lens, it acknowledged DEI as a priority for the private markets in order to change the outcome culture and improve investment outcome. Care policies being important enablers of DEI performance – ILPA's DEI initiatives included care policies.

▶ Commit

ILPA believed that making progress on DEI requires intention and action, therefore ILPA launched a Diversity in Action initiative which brought stakeholders together and developed a DEI roadmap to advance DEI (which includes care policies).

▶ Act

One of the actions taken by ILPA as part of its DEI initiative is to expand its standard Due Diligence Questionnaire (DDQ) to add additional metrics which included family leave. The DDQ included a questionnaire template for GPs to report the gender and ethnic diversity in their own organisations as well in their portfolio companies which includes: Does the firm have a formal Diversity and Inclusion policy or initiative? Does the firm have a family leave policy? Does the firm work with organisations to attract and retain women and minorities in Private Equity?

When the firm answers 'Yes', the questionnaire asks for additional details on the policy or initiative and when the firm answers 'No', the questionnaire asks whether the firm is willing to change that outcome within a year. Having this as part of the standardised process reduces administrative burden and makes it easy to implement change while raising awareness about practical solution to improving diversity performance.

▶ Disclose

ILPA has made all resources and learning related DEI, including care policies, publicly available on their website.

▶ Advocate

By developing the tools and sharing them publicly with their members as well as the broader private markets community, ILPA is advocating for practical solutions for advancing DEI and care policies.

Open Society Foundation: Investing in a care business focused on domestic work[32]

▶ Define

OSF being a human-rights focused organisation, their impact investing arm Soros Economic Development Fund (SEDF) focuses on investments that promote equity, free expression and justice. SEDF has invested in several women's empowerment themes (i.e., gender justice, racial equity) but they recognised that much of the dialogue on empowerment is about formal workers, so they decided to address the gaps in the informal economy.

▶ Commit

SEDF committed to strengthening protection and opportunities, advancing economic justice and agency for informal workers (i.e. domestic workers) in the care economy.

▶ Act

SEDF conducted extensive research to understand the dynamics and nuances of the informal care economy, subsequently they developed an investment strategy and a measurement strategy aligned with the 4Rs. Following these, SEDF started scoping for investments, directly and through partners (i.e. MIT Solve Care Economy Challenge). After identifying a potential investee, they conducted further research on the specific country context, policies and policy environment to assess the viability of the business model, going deeper than other portfolio companies.

31 Source: IFC (2019), Moving towards gender balance in Private Equity and Venture Capital
32 Key Informant Interview and Soros Economic Development Fund website

Disclose

SEDF is closely monitoring the investment to assess the business and impact return.

Advocate

The investment is in early stage so it is too early to share information on the business case for care. However, OSF/SEDF has been strong advocates of investing in the care economy and sharing insights on the 'how-to' for investors because of the likelihood of deploying significant capital in this sector in the near future and the strong socio-economic impact of care.

Bloomberg: Including care policies in gender equality index disclosure and performance requirements[33]

Define

Bloomberg approached care policies from the gender equality lens. In line with its mission of improved transparency in the public market, Bloomberg offers Environmental, Social and Governance (ESG) data to clients. Within ESG, Bloomberg deepened its effort in gender equality data because it strongly correlates with business performance and care policies are an integral part of evaluating progress towards gender equality.

Commit

Bloomberg made a commitment to advancing GEI (and care) as an employer and in an influencing capacity. In 2015, Bloomberg hired its first Chief Diversity Officer to improve its GEI policies. In 2016, Bloomberg launched its Financial Services Gender Equality Index (BFGEI) which was to provide a holistic view on companies measuring progress towards gender parity.

Act

The BFGEI index provides investors with high-quality data and encourages transparency and disclosure around gender equality in the workplace. To be considered for the Index, firms are required to submit a survey addressing the following 4 categories. All companies included in this index had to surpass a minimum benchmark score on this GEI survey where points are awarded both for disclosure and performance in terms of policies and practices. Internal company statistics (e.g., number of women on boards, % of women executives, % of women in top 10% of compensated employees); Employee policies (e.g., minimum fully paid maternity/paternity leave offered, return to work programs for mothers, childcare services, development programs for women);, Gender-conscious product offerings (e.g., funds that target women clients, if the number of female clients is tracked, lending programs specifically for women-owned businesses); External community engagement (e.g., sponsoring financial education programs, having a supplier diversity program, and being a signatory to the Women's Empowerment Principles).

To promote gender parity in its own operation – Bloomberg updated its parental leave policy in 2015 to grant primary caregivers 18 weeks of paid leave and non-primary caregivers 4 weeks.

Disclose

Data and transparency are the foundation of Bloomberg's operation – as of 2017, 52 financial services firms in 17 countries assessed and compared firm level GEI data along with reference information to inform respective investment strategies.

Advocate

Developing and popularising this GEI index alongside leading by example with inclusive GEI policies in its own organisation, Bloomberg is a strong advocate for practical GEI solutions and demonstrating the intersectionality with care.

BM&FBOVESPA, Brazil: Including care policies in corporate sustainability index disclosure requirements[34]

Define

BM&FBOVESPA, Brazil (B3) also approached care policies through the gender equality lens. In Brazil, representation of women in management remains low, despite women representing more than half of the population and being more educated than men on average. B3 aimed to improve diversity and representation of women and care policies were included in the diversity policies as an enabler of women's participation in management.

Commit

B3 is committed to advancing gender equality (and care) both as an employer and as an influencer/regulator in the public market. B3 joined the Ring the Bell for Gender Equality in 2019, alongside 80 other stock exchanges globally. B3 also joined the Gender Diversity on Boards program, a joint initiative of the Brazilian Institute of

33 SSE, How Stock Exchanges Can Advance Gender Equality
34 SSE, How Stock Exchanges Can Advance Gender Equality

Corporate Governance (IBGC), International Finance Corporation (IFC) and the Women Corporate Directors (WCD) with a mission to enhance gender diversity on the board of directors.

▶ Act

B3 launched ISE, the Corporate Sustainability Index where issuers are expected to have strong policies and programs on gender equality. These typically include efforts to empower female talent but can also include social projects to strengthen gender equality, reinforce fundamental rights and combat discrimination. There is a questionnaire for companies to respond to a range of questions on gender and diversity which includes care-relevant questions such as: Number of women in administrative council and management (including women managers and directors), Maternity leave policies, Formal commitments to reduce discrimination and to respect sexual orientation.

B3 also promotes diversity in its own operation, focused on two themes- people with disabilities and women in the workplace. Since 2012, the exchange has organised a diversity week every year to discuss diversity challenges and share employee experiences. B3 has established the following internal goals: i) Balance the number of women and men in young talent programs, ii) Sustain a low turnover rate for women after pregnancy, iii) Attain a score of more than 80% in employee satisfaction surveys regarding inclusion and diversity. To meet these goals the exchange has introduced the following: A gender equality focus in employee recruitment, Maternity extension (from four to six months), and a Breastfeeding support room.

▶ Disclose

All issuers of ISE B3 are required to disclose gender equality (and care) related information for transparency and investor decision making.

▶ Advocate

Being the largest futures exchange in Latin America, B3 is automatically playing a strong advocacy role. B3 is also involved in the government's 'Brazilian Women leaders in Sustainability Network, reinforcing their advocacy role.

Intercontinental Hotel Group (IHG), China: Support in elder care responsibilities[35]

▶ Define

In China, many of IHG's employees, particularly women, are under pressure to balance their work with elder care responsibilities. In 2015, IHG discovered that more than 50% of its 55,000 staff in China were non-local, compared to its global average of 29%. Eighty percent of the staff wished to return to their hometowns in 1 to 5 years.

▶ Commit

IHG was committed to helping its employees ensure work/life balance and offering support when they needed in order to ensure a diverse and inclusive work environment.

▶ Act

IHG launched its 'Best Offers from Hometown' program which enabled staff to find new positions in IHG hotels in or close to their hometowns when they needed to take care of their parents.

▶ Disclose

Since the program's inception in 2015, 3,500 employees participated, helping them meet family commitments while continuing to work within one of the 391 IHG hotels in China.

▶ Advocate

IHG has shared this as an example of an innovative solution that provides its employees opportunity to fulfil their family obligations while continuing with their career and allowing IHG to retain talent.

The Body Shop, Global: Recognising and rewarding unpaid labour in the supply chain[36]

▶ Define

The Body Shop identified unpaid labour as one of the key barriers in ensuring transparency in the supply chain. With the support of Ético, it tried to understand how women's unpaid work supports its supply chain.

35 Oxfam, Unilever (2019), Business Briefing on Unpaid Care and Domestic Work: Why unpaid care by women and girls matters to business, and how companies can address it.

36 Business fights Poverty (2020), Gender Equality is Everyone's Business: Engaging men as allies to advance gender equality across the value chain.

▶ Commit

It followed through with the strategic and financial commitment to find innovative solutions to reward the unpaid labour.

▶ Act

In the sesame value chain in Nicaragua, The Body Shop increased the price it paid for sesame oil to recognise and remunerate the unpaid work of women that support sesame production. The increase in price is accumulated into a Premium Fund, which is designed to support women producers and their communities. Women decide how to use the fund for the benefit of producers and the community. The Body Shop has replicated this model in the hemp value chain with a supplier in Bangladesh.

▶ Disclose

The Body Shop has demonstrated a commercially viable pricing model which recognises the full scope of women's work, including unpaid labour. The Body Shop has created an evaluation tool for its sustainable sourcing assessment guidance which includes unpaid work and better understand care burden in the supply chain which will be integrated in its Fair-Trade global sourcing.

▶ Advocate

Through publication and wider sharing of this case, The Body Shop is creating opportunities to improve commercial outcomes for women in supply chains and educating the ecosystem on valuing unpaid work.

Grupo Altex, Mexico: Supporting employees through childcare[37]

▶ Define

With 7000 employees and US$600 to 650 million revenue, Grupo Altex is a major global player in fresh produce and processed food. At a time of rapid growth in 2016, Grupo Altex identified childcare as the benefit it can offer its employees - which will meet a critical need of its employees and contribute to reducing turnover and absenteeism. Grupo Altex partnered with childcare provider Hippocampus to investigate the issue and discovered the high cost of childcare due to the cancellation of the federal child care program.

▶ Commit

Grupo Altex is committed to ensuring a family-friendly workplace in line with the vision of its founders and the priorities set by its management and accordingly implemented a series of policies, benefits and initiatives to improve employee wellbeing.

▶ Act

Altex currently offers five childcare centres run in partnership with Hippocampus, four of them serve Altex employees as well as community members and one of them targets children from supply chain workers. Altex also invested in a series of other policies and benefits including paid parental leaves, lactation breaks, flexible work policies for selective roles and investing in high quality childcare for their employees. In early 2022, Altex expanded the services to employees' younger siblings, nephews and nieces and grandchildren.

▶ Disclose

Altex has disclosed much of the key information related to their investment in the childcare facility to provide thought leadership. Altex made a capital investment of US$150,000 to set up the facility and pays US$50/child/month while the parents contribute another $12.5/child/month (compared to US$20 to US$50 per month for private childcare). Data from Altex and surveys with employees indicate that the childcare facility has contributed to hiring, retention, especially for working mothers and reducing absenteeism rates. Employees unanimously believed that the childcare centres have improved their productivity and better balance work and family responsibilities.

▶ Advocate

Altex's investment in childcare has generated valuable learning for other employers considering engaging in childcare which includes but is not limited to the importance of good partnerships to provide high quality care and extending care to the communities (beyond employees) to fill the gap in the market and enhance impact. Altex advises other companies to learn from the successful examples to become comfortable with the topic and learn what works but it is crucial to take a long term view with such investments. In 2022-23, Altex will collaborate with IFC to close the gender gap and promote diversity and inclusion in the private sector through childcare and advance women leadership.

37 IFC(2022), 'Spotlight on Grupo Altex, Mexico Supporting Employees through Childcare'

Annex 2: Examples of key performance indicators

Revenue and business growth:

- In India, HDFC Standard Life's Smart Women insurance product helps female policy owners cope with disruptions in income that women commonly experience as a result of care responsibilities – for example, following the birth of a child. The product sold 4,000 policies in its first month and was later named 'Product of the Year' in Nielsen's consumer survey.[38]

Talent acquisition and retention:

- Nalt Enterprise, a textile producer in Vietnam, found that offering childcare at the company reduced staff turnover by ~30%, creating substantial savings since replacing a worker cost estimated 85% of the annual salary;[39]
- The Bank of Tokyo-Mitsubishi UF in Japan saw a 4x increase in retention of new mothers and a saving turnover related cost of US$45 million as a result of offering childcare and extended maternity leave;[40]
- Patagonia states that their on-site childcare recoups 91% of the its costs and lowers employee turnover by 25%;[41]
- Productivity and employee engagement;
- In a study of more than 1,500 employers, 70% of those offering improved leave policies reported an increase in worker productivity.[42]

Supply chain resilience and diversity:

- Li and Fung Limited, a Hong Kong-based apparel and consumer goods company, initiated a series of health and financial literacy training programs with its suppliers. In Cambodia, the projects focused on health and nutrition and interim findings indicate an 18% productivity increase and a 10% decrease in resignation of female workers;[43]
- ICTI Ethical Toy Program (IETP) launched a program in 2016 to provide safe space in factories for workers' children during summer which resulted in a 183% increase in employee satisfaction, 58% increase in worker trust in management and 13% increase in retention;[44]
- Within one year of opening childcare facilities at Red Lands Roses, a floriculture business in Kenya that serves clients in Japan and China, unplanned leave declined by 25% and productivity improved.[45]

Customer acquisition and loyalty:

- Unilever reports that progressive advertising (for example, showing men doing tasks stereotypically associated with women, and women doing tasks stereotypically associated with men) is 25% more impactful with consumers, drives purchase intent by 18% and improves credibility by 21%.[46]

38 IFC, AXA and Accenture (2015) 'SHE for SHIELD: Insure women to better protect all'. http://documents.worldbank.org/curated/en/228381492593824450/She-for-shield-insure-women-tobetter-protect-all
39 IFC(2017). "Tackling childcare: The business case for employer supported childcare"
40 IFC(2017). "Tackling childcare: The business case for employer supported childcare"
41 Rose Marcario, 'Patagonia's CEO Explains How to Make On-Site Child Care Pay for Itself', Fast Company, 15 August 2016. https://www.fastcompany.com/3062792/patagonias-ceo-explains-how-to-make-onsite-childcare-pay-for-itself. See also Bruce Anderson, 'Why Patagonia CHRO Dean Carter Sees Onsite Child Care as a Bedrock Benefit', LinkedIn Talent Blog, 1 September 2019. https://business.linkedin.com/talent-solutions/blog/company-culture/2019/why-patagonia-offers-onsite-child-care
42 EY (March 2017) 'Viewpoints on paid family and medical leave. Findings from a survey of US employers and employees'. Op. cit
43 Li and Fung Limited, Annual Report, 'Our Supply Chain', 2017. Available at: https://www.lifung.com/wp-content/uploads/2017/03/ar2017.pdf.
44 IETI, Family-Friendly Spaces Activities (2020). Available at: https://www. ethicaltoyprogram.org/en/our-program/worker-well-being/family-friendlyspaces-2020updates/
45 Oxfam, Unilever (2019), Business Briefing on Unpaid Care and Domestic Work: Why unpaid care by women and girls matters to business, and how companies can address it.
46 Marketing Week (26 September 2018) 'Unilever pushes for more 'progressive' portrayals of people in advertising'. Op. cit.

Annex 3: Illustrative care policies across the gender spectrum from neutral to transformative

Inclusion, care policies and examples

Stages	Gender-neutral	Gender-aware	Gender-responsive	Gender-transformative
Policies likely to be in place	None	Meets minimum government regulations	Additional support beyond govt obligations	Progressive policies
Relevance of care	Employee welfare	Employee welfare and inclusion	Inclusion, equity and empowerment	Championing inclusive growth
Commitment	None	Design a basic inclusion framework that includes all forms of inclusion (gender, disability, care, ethnic)	Align/include care policies with existing inclusion (i.e., GLI, Disability inclusion) frameworks	A dedicated care policy framework with annual budget allocation
Examples				
Parental leave	Unpaid maternity leave	Paid maternity leave	Paid maternity and paternity leave	Flexible work for parents
Breastfeeding support	No breastfeeding support	Unpaid breastfeeding breaks	Paid breastfeeding breaks	Paid breaks and safe space for breastfeeding
Childcare	No childcare support	Recommendations for childcare providers	Matching services for childcare provision/ Flexible work	Subsidised childcare provision
Elderly care	No elderly care support	Recommendations for elderly care providers	Matching services/ Flexible work/long term care leave	Long term care leave/ subsidised elderly care provision

Cover photo: iStock.com/SDI Productions