



The Portrayal of Gender Diversity in Reality from ESG Reports—Based on the Top Ten Leading Technology Corporates in China

Tongyu Wu(✉)

Department of Public Policy, City University of Hong Kong, Hong Kong, China
wtychn@163.com

Abstract. The Environmental, Social, and Governance (ESG) metric, which has become a parameter for investors to evaluate sustainability performance, is putting increasing pressure on international technology corporates. As a result, there is an increasing demand for corporate social reporting to address gender diversity, that lies within the social spectrum of this evaluator. This paper analyses the extent and causes of the absence of gender diversity in the most recent annual ESG (CSR) report of China's top ten technology corporates. It aims to evaluate the current situation of diversity in the Chinese business ecosystem, and then proposes improvements as an analytical response.

Keywords: ESG report · Technology corporates · gender diversity

1 Introduction

1.1 Definition

The World Business Council for Sustainable Development (WBCSD) and UNEP have supported a set of six core principles for sustainable investment since their workshop series in March 2010 [1], which was drafted by the United Nations in early 2006 and is in the best long-term interests of its beneficiaries. Corporate social responsibility (CSR) is now routinely measured via ESG assessments by businesses, investors, and business schools [2]. Even though its criteria primarily weeds out socially aware investors and investment possibilities, it also considers the possible environmental impact of such corporate activities: While governance solutions involve leadership, executive compensation, audits, internal controls, and shareholder rights, companies' social criteria take into account their relationships with employees, suppliers, consumers, and communities [3, 4]. The ESG measures also function as motivational tools to promote ethical company practices [5].

1.2 Background and Significance

As evident by policy revisions and changes in legislations, or even more obvious as seen by the increase of the quota of female participants in European corporates' managing boards, European countries has appeared to grow awareness in promoting workplace gender equality [6]. This approach has encouraged a higher participation rate in corporate boards for female, and brought drastic influence to the amendments within the European business ecosystem [7]. Other than Europe, the U.S. Securities and Exchange Commission (SEC) implemented regulations back in 2016, demanding corporates to take diversity as a crucial parameter to be considered while nominating new directors [8]. The initiative has broad support from corporate stakeholders and is being carried out on a national scale to put pressure on US companies to improve the proportion of women on their boards by 2020 [9]. It is evidentially proven that the globe has made significant progress in advocating gender-equal participation in corporate decision-making and operations, and even in board representation. Vice versa, moving the discussion to Asia, the participation rate of female employees in Chinese companies has been stagnant - in today's globalized market, there is still growing concern about the lack of gender diversity in Chinese companies, when compared to their global competitors.

2 Motivation

Due to historical gender stereotypes, the social environment, and the stigmata prevalence of "second-class citizens" in the current Chinese labor market, women are frequently underrepresented in the workforce. Particularly in the technology sector, where there are far fewer female employees than male employees. There has long been a subliminal stereotype that women can't comprehend professional and management positions. From ancient to modern times, gender stereotypes have made it difficult for Chinese workplaces to attain gender equality [10]. The roles that women play in the industry are outlined by stereotypes. Men predominate in the fields of programming, project management, and general management, whereas women are more likely to choose careers in front desk work, administration, and human resource management. The social expectation that women should work in particular business roles, such human resource management, marketing, and front office, has grown as a result of this.

However, it is clear in the modern world that this notion is colliding, and gender diversity is now recognized as a major motivator and influencing factor for economic competitiveness. Related research has shown that female management board members have a beneficial impact on ESG performance [11]. Higher economic outcomes are positively correlated with having more women on the board [12]. Theoretical and empirical support for the feminization of corporate boards is provided by Riadh Manita et al. 2018 who found that transparency is strongly positively associated with board feminization if the proportion of women is significant and sufficient to prevent and surpass the "invisibility" based on board marginalization [13]. The performance of sustainability reports is influenced more by independent female directors than by female directors, and gender-diverse boards are linked to higher-quality sustainability reports [14]. More gender diversity on the board has an impact on firm risk by lowering the volatility of

stock market returns. The variability of business performance decreases as the percentage of female directors on the board increases [15]. Companies with gender-diverse boards make fewer mistakes in financial reporting and experience fewer business scams [16]. Additionally, institutional ownership is linked favorably to board gender diversity, and when female senior executives own shares, corporate dividend payments rise [17]. Additionally, research shows a link between female company leaders and corporate social responsibility (CSR), which is supported in a number of domains, such as better governance, broader community participation, increased environmental awareness, superior innovation, and improved diversity [18]. At the same time, the COVID-19 pandemic outbreak in 2020 altered the fundamental assumptions about how civilization works. Corporation stakeholders have acknowledged the value of diversity and equality inclusion in corporates would better stand a business while facing uncertainties and unanticipated crises because dynamic labour reacts to challenges and opportunities in a more active and responsive manner.

In conclusion, this study aims, on the one hand, to shed light on the absence of gender diversity in managerial positions in technology corporates, on the other hand, to build and advance the area of organizational demography, and on the third hand, to support the process of boosting female corporate involvement. For academic research on the topic of diversity in the finance industry, the term “corporate social responsibility” is also introduced and used in China. According to several experts, domestic academic research on gender diversity within the context of CSR is generally lacking and leaves a lot of open questions. This article builds on that foundation by offering thoughts for achieving equality in order to fully fill in the pertinent development gaps.

3 Elaboration of the Phenomenon and Analysis

The latest annual ESG (CSR) reports of ten head technology corporates in China are investigated as follows.

As demonstrated in Table 1, all of the top 10 technology corporates’ MSCI ratings fall primarily within the range of the industry average and all of them have space for improvement. Tencent, Netease, pinduoduo, Baidu, Kuaishou, and Xiaomi released statistical proof for proving gender diversity in the workplace, but the other companies just make general statements about whether they provide “equal work opportunities for employees of different genders.” A more in-depth examination of the subjects of the disclosed data reveals that, first, managers play a larger role in a company than general employees, and, second, women are more likely to require stronger qualifications for advancement to leadership positions due to higher standards and more rigors scrutiny [30]. Ultimately, the dataset showed that the stigma of “core vs non-core” employment roles still exists and that female officers are still favored within the socially expected labor roles in technology corporates, such as reception, customer service, and human resources. This means that it is more difficult for women to advance to managerial positions than it is for men with the same qualifications. These issues might be lessened if there were female managers, but it would still be challenging to determine how many employees were women and how many were men.

Table 1. Relevant information of ESG (CSR) reports (Table Credit: Original)

Company name	Disclosure of gender diversity in ESG(CSR) reports	ESG (CSR) latest report year	ESG (CSR) latest report rating (MSCI) [29]	ESG (CSR) rating distribution [29]
Tencent	One data disclosure exists (25% of the number of female managers) [19]	2021	BBB	Average
Alibaba	The original text of the CSR report reads "Alibaba strictly abides by relevant national laws and regulations, provides equal employment opportunities to workers, and We firmly oppose employment discrimination and treat employees of different nationalities, races, ages, genders, religious beliefs and cultural backgrounds in a fair and equitable manner." [20]	2020	BBB	Average
Meituan	The CSR report mentions the principle of "equal employment" without disclosing data, which reads "Meituan recruits employees based on the premise that they are suitable for the job, and treats people of different races, ethnicities, genders, ages, or religious beliefs equally to ensure that they have equal access to employment and development opportunities." [21]	2020	AA	Leader
JD	The key data such as the ratio of male and female employees was not disclosed. The ESG report mentioned "development and empowerment of female employees". A number of internal and external guests carried out women's empowerment with themes of self-growth, management experience, technical research, etc. There were 10,368 female employees who were able to share activities. In addition, JD.com has 851 female internal lecturers, accounting for 49% of all lecturers." [22]	2021	BB	Average

(continued)

Table 1. (continued)

Company name	Disclosure of gender diversity in ESG(CSR) reports	ESG (CSR) latest report year	ESG (CSR) latest report rating (MSCI) [29]	ESG (CSR) rating distribution [29]
Netease	<p>More detailed data disclosure exists, including the percentage of new hires who are women, the percentage of junior employees who are women, the percentage of all employees who are women, and a comparison of these data to the GEI industry average, concluding that "the percentage of female employees in multiple categories is ahead of the industry average, with a focus on workplace equality." [23]</p>	2020	A	Leader
Pinduoduo	<p>One data disclosure exists (33% of female employees) [24]</p>	2020	BB	Average
Baidu	<p>Two data disclosures exist (39.3% of Baidu's female employees and 43.2% of women in management positions [25]</p>	2021	BBB	Average
Kuaishou	<p>Two sets of figures were disclosed: "Total full-time employees were 28,098, of which 16,335 were men and 11,736 were women; the total employee turnover rate was 26.3%, 28.1% for men and 23.9% for women." [26]</p>	2021	BB	Average
Xiaomi	<p>One set of data disclosed that 14,539 employees, or 66%, were male and 7,535 employees, or 34%, were female [27]</p>	2021	B	Laggard
Byte dance	<p>Without data disclosure, the ESG report mentions "safeguarding employees' rights and interests", which reads "Beijing ByteDance has long adhered to the principles of equal diversity and non-discrimination, providing an inclusive environment for talents of different ages and genders. We provide market-competitive salaries and benefits, and effectively protect the legal rights and interests of our employees." [28]</p>	2021	/	/

As a result, Tencent and Baidu are more specific in their disclosure of gender diversity in management than the other eight corporations, which is more important and has a greater impact on the appraisal and pursuit of diversity across the workplace. The percentage of female board members is not disclosed by any of the ten significant, highly valued, and sector-representative Technology corporates, it is found in that circumstance.

It has become stigmatized to assume that a managerial board's responsibilities are solely restricted to selecting CEOs, evaluating their work, and approving annual budgets. The boards' crucial role in defining corporate strategy and advancing strategic change, however, has been underlined by recent study - more academics are recognizing that the board is a valuable source of market intelligence and information that frequently shapes corporate policies and operations [31, 32]. Therefore, it is important to consider gender diversity in the boardroom.

Gender diversity in all three CSR aspects has not been disclosed by any of the top 10 domestic technology corporations. The lack of female participation in the three dimensions and the lack of corporate awareness of the significance of gender diversity disclosure are the main causes; as a result, the phenomenon can only be fundamentally improved by raising corporate attention levels and the proportion of female employees in the workforce.

4 Reasons for the Lack of Female Participation in Chinese Technology Corporates

4.1 Social Factors

4.1.1 Corporate Culture of the Company (Starting from Recruitment)

The paucity of women in STEM disciplines is a result of particular circumstances, according to social psychology studies, which can decrease women's interest in and sense of belonging in these fields. Explicit sexual innuendo, stereotypical images, cultural cues, hobbies and behaviours traditionally associated with men and masculinity, feelings of being left out of the conversation or having one's contributions ignored, and low rates of female participation in the workforce are all potential pushing factors for women [33–38]. Additionally, even if women are equally qualified as their male competitors, they may feel unwelcome if previous technical knowledge or high skill levels are overemphasized [39]. Women often require more proof of their ability to be sufficiently competitive in male-dominated industries like technology and R&D, where women are often held to higher standards of work than males [40]. For this, environments that promote several routes to success in STEM disciplines are more successful at recruiting female students [39].

4.1.2 There Are Often Stereotypes About Women's Lack of Competence in the Technology Field, Influenced by Traditional Beliefs [39, 41]

First of all, due to social and cultural prejudices, women believe they suited for communication and logistical labor better. For example, women's self-perceptions of males are more logical and rational, and more competent for female leaders, and women would

be obeyed instructions from male leaders without question. Also, due to the traditional division of work in the family, it is widely held that women have strong family values and that caring for children and the family consumes a lot of time and energy for female employees. This not only causes firms to give preference to males when faced with a large pool of candidates from various backgrounds, but it also discourages many women from choosing relevant careers in the first place or from entering the sector after graduation. In modern China, where the multiple-child policy is increasingly being liberalized, on the one hand, female employees struggle more to balance family and work than male employees of similar age do, and on the other hand, the explicit and invisible expenses of childbirth and childcare that businesses need to endure in order to hire a female employee are continually rising.

4.2 Structural Factors

It is difficult for female employees in the technology sector to find support and role models, which makes it difficult for them to stay current with the rapidly evolving technology industry. On the other hand, as you look higher up in the organisational chart, the proportion of female management and female directors declines in comparison to female general employees, which is a subtle hint and sig Due to the masculine atmosphere and isolation in their workplaces, women in technology often struggle to see the future and feel “stagnant” or “aimless” in their employment. Women in technology face other issues as well. The Chinese technology industry is also infamous for having extremely high job demands. Women are more negatively impacted by the time-consuming “996” and “007” hours - due to their obligations as “wife, mother, and caretaker,” women are thought to be more hesitant to work overtime and travel [42]. Married women’s possibilities for progress are even further constrained by the perception that they are less mobile than males [43].

5 Recommendations and the Future

5.1 Business

The creation of a gender-sensitive atmosphere with reduced gender prejudice can be facilitated by gender-sensitive HR policies that give women equal access to opportunities, further enhancing organizational well-being. According to recent study, there are numerous possible causes of gender bias in the workplace, but gender-sensitive HR policies are essential to its eradication [43]. By encouraging staff and students to discuss the several efficient ways to become computer scientists and by highlighting the real-world importance of computing and the ties to other fields, Carnegie Mellon University widened the perception of successful computer science students. The fact that they do not compel women to alter their self-concept in order to conform to the computer science industry’s constricting perception is crucial. Carnegie Mellon has been successful in expanding the representation of women by altering the cultural perception of the field of computer science, among other things. By neutralizing the cultural

perception of technological occupations, technology corporations could follow this lead and boost the retention of women [44]. Additionally, this can be accomplished by breaking the gender-specific workplace promotion ceiling, offering flexible working hours (especially for married women), male-to-female HR policies, childcare for women with children, maternity leave, night shift transportation facilities, career development programs for women, and separate grievance rooms for women [43]. HR practises that are gender-sensitive support organisational success and gender diversity. By treating men and women equally and implementing policies that support women, such as equal pay for equal labour and nondiscriminatory promotion opportunities, gender sensitivity can be further improved. As an analytical response, this study's recommendations include establishing a workplace free of bias and implementing a gender-inclusive culture to foster a company that values gender equality.

5.2 Society and Family

Despite the incredible advancements made by women in science and mathematics over the past few decades, the outdated and incorrect belief that men are better at solving problems in these fields still permeates many social circles today. Negative perceptions about women's fitness for professional positions in the Internet, mathematics, and science have been demonstrated to be primarily damaging by studies [14]. Stereotypes can also affect how women view themselves, which can affect their interest in and preference for future career directions. Therefore, outdated preconceptions must to be disregarded in social culture and educational settings. To create a conducive climate for growth, female role models and accomplishments in the online world should be highlighted more frequently.

5.3 Government

It is a matter of public policy as well as company-specific business practises that women are underrepresented in technology corporates. The gender division of labour in childcare and household chores is ignored in China's family policy, which places more emphasis on women's employment. As long as males are not encouraged to participate in domestic and childcare duties, women are still primarily responsible for these tasks, which not only adds to their already heavy workloads but also exacerbates their disadvantage in the job market [45]. Additionally, it's crucial to create industry standards to share the expense of a woman giving birth with her family and employers, progressively introduce "parental leave for fathers," enhance the legal and policy system, and gradually establish a gender equity system with equality in power, opportunity, and results. Also, it's quite crucial to establish standards to control how businesses behave.

6 Conclusion

This study examined and studied the lack of gender diversity disclosure in the ESG (CSR) reports of the top 10 Chinese technology corporates, and it came to the conclusion that social and structural factors account for the underrepresentation of women in the technology industry. Finally, it is contended that four levels - corporate, social, family, and government - can jointly cooperate for building a diversified job market that is more equitable and welcoming.

References

1. Shao, S.C., & Wang, S.B.. (2014). Exploring the application of ESG model in municipal waste management performance assessment. *Business Accounting*, (5), 39-41.
2. Camilleri, M. A. (2015). Environmental, social and governance disclosures in Europe. *Sustainability Accounting, Management and Policy Journal*.
3. Investopedia (2021, March). Environmental, Social, and Governance (ESG) Criteria. Retrieved March 18, 2022, from <https://www.investopedia.com/terms/e/environmental-social-and-governance-esg-criteria.asp>
4. PRI. (2013). UNDERSTANDING THE IMPACT OF YOUR INVESTMENTS. <https://www.unpri.org/download?ac=294>
5. HKEX. (2020, December). Towards Good Corporate Governance and ESG Management. https://www.hkex.com.hk/-/media/HKEX-Market/Listing/Rules-and-Guidance/Corporate-Governance-Practices/Practitioners_insights_c.pdf
6. Weisul K (2014) Women on boards: Are quotas really the answer? *Fortune*. Available at: <http://fortune.com/2014/12/05/women-on-boards-quotas/> (accessed 28 June 2022).
7. Matsa DA and Miller AR (2013) A female style of corporate leadership? Evidence from quotas. *American Economic Journal* 5(3): 136–169.
8. Michaels D (2016) SEC drafting rule requiring firms reveal board diversity. *The Wall Street Journal*. Available at: <http://www.wsj.com/articles/sec-drafting-rule-requiring-firms-reveal-board-diversity-1467078153> (accessed 28 June 2022).
9. 2020 Women on Boards (2016) Available at: <https://www.2020wob.com> (accessed 28 August 2017).
10. Grant Thornton. (2018). Women in business: Beyond policy to progress. <https://www.grantthornton.co.uk/news-centre/women-in-business-report-2018/>
11. Velte, P. (2016). Women on management board and ESG performance. *Journal of Global Responsibility*.
12. Reguera-Alvarado, N., de Fuentes, P., & Laffarga, J. (2017). Does board gender diversity influence financial performance? Evidence from Spain. *Journal of Business Ethics*, 141(2), 337-350.
13. Manita, R., Bruna, M. G., Dang, R., & Houanti, L. H. (2018). Board gender diversity and ESG disclosure: evidence from the USA. *Journal of Applied Accounting Research*.
14. Al-Shaer, H., & Zaman, M. (2016). Board gender diversity and sustainability reporting quality. *Journal of Contemporary Accounting & Economics*, 12(3), 210-222.

15. Lenard, M. J., Yu, B., York, E. A., & Wu, S. (2014). Impact of board gender diversity on firm risk. *Managerial Finance*.
16. Wahid, A. S. (2019). The effects and the mechanisms of board gender diversity: Evidence from financial manipulation. *Journal of Business Ethics*, 159(3), 705–725.
17. Ye, D., Deng, J., Liu, Y., Szewczyk, S. H., & Chen, X. (2019). Does board gender diversity increase dividend payouts? Analysis of global evidence. *Journal of Corporate Finance*, 58, 1–26.
18. Cook A and Glass C (2016) Do women advance equity? The effect of gender leadership composition on LGBT-friendly policies in American firms. *Human Relations* 69(7): 1431–1456.
19. Tencent 2021 Environmental, Social and Governance Report, source Tencent Group official website <https://www.tencent.com/zh-cn/esg/esg-reports.html>
20. Alibaba Group Social Responsibility Report 2020–2021, source Alibaba Group official website <http://csr.alibaba.com/category/104>
21. Meituan 2020 CSR Report, source Meituan Group official website <https://about.meituan.com/details/society/responsibility>
22. JD Group Environmental, Social and Governance Report 2021, source Jingdong Group official website <https://ir.jd.com/zh-hans/esgcsr>
23. NetEase 2020 Environmental, Social and Governance Report, source NetEase Group official website <https://netease.gcs-web.com/zh-hans/esgqiyeshehuizeren>
24. Pinduoduo Environmental, Social and Governance Report 2020, source Pinduoduo Group official website <https://www.aboutpinduoduo.com/corporate-responsibility>
25. Baidu Environment, Society and Governance (ESG) Report 2021, source Baidu Group official website <https://esg.baidu.com/resource/1ecd4682-2f54-67c8-8dd5-556f11239ccc/%E7%99%BE%E5%BA%A6%202021%20%E5%B9%B4%E7%8E%AF%E5%A2%83%E3%80%81%E7%A4%BE%E4%BC%9A%E5%8F%8A%E7%AE%A1%E6%B2%BB%EF%BC%88ESG%EF%BC%89%E6%8A%A5%E5%91%8A.pdf>
26. Kuaishou 2021 Environmental, Social and Governance Report, source Racer Group website <https://ir.kuaishou.com/esg/>
27. Xiaomi 2020 Environmental, Social and Governance Report, from Xiaomi Group website <https://www.mi.com/csr>
28. Bytedance CSR Report 2021, source Bytedance Group official website <https://www.bytedance.com/zh/corporate>
29. ESG rating data from MSCI's official website https://www.msci.com/zh/esg-ratings/?sa=olps_txt
30. Weyer B (2007) Explaining the persistence of the glass ceiling for women leaders. *Women in Management Review* 22(6): 482–496.
31. Oehmichen J, Schrapp S and Wolff M (2017) Who needs experts most? Board industry expertise and strategic change—a contingency perspective. *Strategic Management Journal* 38(3): 645–656.
32. McDonald ML and Westphal JD (2013) Access denied: Low mentoring of women and minority first-time directors and its negative effects on appointments to additional boards. *Academy of Management Journal* 56(4): 1169–1198.

33. Cheryan S, Plaut VC, Davies PG, et al. (2009) Ambient belonging: How stereotypical cues impact gender participation in computer science. *Journal of Personality and Social Psychology* 97(6): 1045–1060.
34. Cheryan S, Siy JO, Vichayapai M, et al. (2011) Do female and male role models who embody STEM stereotypes hinder women’s anticipated success in STEM? *Social Psychological and Personality Science* 2(6): 656–664.
35. Kanter RM (1977) *Men and Women of the Corporation*. New York: Basic Books.
36. Murphy MC, Steele CM and Gross JJ (2007) Signaling threat: How situational cues affect women in math, science, and engineering settings. *Psychological Science* 18(10): 879–885.
37. Faulkner W (2009) Doing gender in engineering workplace cultures, I: Observations from the field. *Engineering Studies* 1(1): 3–18.
38. Turco CJ (2010) Cultural foundations of tokenism: Evidence from the leveraged buyout industry. *American Sociological Review* 75(6): 894–913.
39. Margolis J and Fisher A (2002) *Unlocking the Clubhouse: Women in Computing*. Cambridge, MA: Massachusetts Institute of Technology.
40. Correll SJ (2001) Gender and the career choice process: The role of biased self-assessments. *American Journal of Sociology* 106(6): 1691–1730.
41. Steele CM (1997) A threat in the air: How stereotypes shape intellectual identity and performance. *Journal of Experimental Social Psychology* 35: 4–28. [CrossRef]
42. Blum L and Smith V (1988) Womens’ mobility in the corporation: a critique of the politics of optimism, signs. *Journal of Women in Culture and Society* 13, 528–545.
43. Khan, F. N., Sehrawat, N., & Singh, S. (2021). The Impact of HR Practices on Perceived Gender Sensitivity and Gender Bias: A Multilevel Analysis of Hotel Industry. *Jindal Journal of Business Research*, 10(1), 90-106.
44. Wynn, A. T., & Correll, S. J. (2017). Gendered perceptions of cultural and skill alignment in technology companies. *Social Sciences*, 6(2), 45.
45. Tong, W. S. & Wang, W. L. (2015). Experiences of Norwegian parenting family policies. *Contemporary Youth Studies* (06), 115-121.

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter’s Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter’s Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

