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Investigating the Quality of Gender Equality Non-Financial Information Disclosed in the Cooperative Credit Sector: A Case Study

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Abstract: Credit institutions, according to the 2014/95/EU Directive (implemented in Italy with Legislative Decree No. 254/2016) are obliged to report non-financial and diversity information. Our article focuses on the diversity information to investigate whether the obligation to disclose diversity in-formation within the mandatory non-financial statement (NFS) led to an improvement of the quality of the gender equality information. To address this aim we analyzed five consolidated mandatory NFSs (CNFSs) for the Iccrea Cooperative Banking Group (ICBG) covering the 2017–2021 period. We selected ICBG because of the dearth of studies on the cooperative banking sector, which represent a relevant component of the national banking system in Italy. To the best of our knowledge, this paper is the first study to explore the quality of information on gender equality in mandatory NFSs for a cooperative banking group using a longitudinal approach. The analysis of the case study's findings provides evidence that ICBG worked to align its gender information with the Decree requirements and the GRI standards. The longitudinal analysis highlights that, during the five years under study, the ICBG's information on gender came to fully reflect the EU and Italian requirements.

Keywords: gender diversity; environmental and social and governance (ESG); non-financial statement (NFS); Cooperative Credit Banks (CCBs)

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1. Introduction

The growing interest in corporate social responsibility (CSR) issues (KPMG 2017) coupled with the ongoing debate on whether or not the dissemination of a wide range of CSR issues is mandatory (Berger-Walliser and Scott 2018) has led an increasing number of countries to introduce CSR reporting and disclosure regulations for all, or part, of private and publicly traded companies. The regulations were implemented in major economies, including the European Union with Directive 2014/95/EU (hereinafter the Directive). The Directive requires publicly listed companies from various sectors to provide detailed information on environmental, social and governance issues (Non-Financial Information—NFI).

As for Italy, mandatory NFI requirements for some large companies began in 2017 with Legislative Decree no. 254/2016 (hereinafter the Decree), which obliged large public interest entities, capital market-oriented companies, credit institutions and insurance companies to fulfill specific requirements to publish a Non-Financial Statement (NFS), as an independent document or containing "at least" information relating to human, environmental and social rights, personnel issues and anti-corruption activities. For the social profile, information on personnel management is also required, including the actions taken to ensure gender equality.

In April 2022, the European Commission, in the proposal for a directive on "Corporate Sustainability Reporting", which introduced changes to the previous directive, asked companies, among other things, for more references on gender equality in terms of (i) the wage gap between men and women (gender pay gap), in line with the objective of equal remuneration pursued by another Commission proposal for a directive (COM 2021/93); and (ii) policies on the composition of the board, in close connection with the project legislation that aims to achieve gender balance in the Board of Directors (BoDs) of large listed companies (COM 2012/614). The Commission's draft also indicated the information on equal treatment in the workplace that fell under these reporting principles (remuneration, training, employee development, working conditions, work–life balance).

From all of the above, it is clear that the reporting of gender equality is becoming increasingly important. Thus, there is a need to investigate how this issue is disclosed through NFSs.

Our research focuses on the quality of the information on gender equality in the mandatory NFS of an Italian cooperative banking group, the ICCREA group, for 2017–2021. In our opinion, to investigate NFI disclosure in banks is extremely important, as banks have a fundamental impact on the overall economy, performing the function of transferring funds; the sensitivity of bank management regarding sustainability can be reflected in their lending decisions, highlighting an indirect environmental impact (Eisenbach et al. 2014; Gurol and Lagasio 2021). In spite of this, surprisingly scarce attention has been paid to the ways in which the banks provide social and environmental accounting to society at large (Pesci and Costa 2014; Forcadell and Aracil 2017; Brogi and Lagasio 2018). Even less attention has been devoted to the cooperative credit banks (CCBs), which in our opinion deserve deeper examination; due to their legal status and their commitment to the values of the social economy (Relano and Paulet 2012), they should be the banks with a better quality of NFI disclosure. Nevertheless, previous research underlined an NFI disclosure level in CCBs lower than that of other kinds of banks (Sannino et al. 2019).

We selected a cooperative credit group from Italy, mandated to disclose its NFI, as CCBs in Italy are an important component of the national banking system. At the end of 2020, CCBs comprised more than half of Italian banks. As our case study, we selected the ICCREA Cooperative Banking Group (ICBG), as it is the Credit Cooperative Group including the majority of Italian CCBs (Cristiano and Ferraro 2022). Furthermore, the connection of one of the authors to ICBG managerial directors facilitated access to ICBG internal documents.

The paper is innovative since, to the best of our knowledge, there are no studies focused on examining the quality of gender diversity information in the mandatory NFI disclosed by a CCB group under a longitudinal approach, thus addressing a specific gap in the literature (Korca et al. 2021; Carungu et al. 2021). As the banking sector is one of the sectors with few studies (Martínez-Ferrero et al. 2015), the paper's findings contribute to the literature on studies relating to quality of mandatory NFI in this sector and in particular in the CCB sector, characterized by a (supposed) higher commitment to social values. The article is organized as follows: Section 2 focuses on the regulatory framework for reporting on gender diversity; Section 3 briefly reviews the current literature and discusses research question development; Section 4 illustrates the case study; Section 5 describes the research methodology through which the research hypotheses were identified; Section 6 highlights the main findings of the research; finally, Section 7 concludes the work.

2. The Regulatory Framework for Reporting on Gender Diversity

The most recent community provision on CSR is Directive 2014/95/EU, concerning in particular the communication of non-financial information, including information on gender diversity, by certain companies and large groups, including banking institutions. The transposition of this directive in various European countries has affirmed even more decisively the need to measure the impact in terms of the sustainability of company activities and to create an adequate social reporting system which establishes principles to be followed in surveying and in social performance measurement.

The issue of Directive 2014/95/EU has, in fact, changed the context of the non-financial statement, making it mandatory and also regulating the transposition within national laws (Dumitru et al. 2017). The main purposes were to increase transparency, on the one hand,

and to improve uniformity and comparability on the other, thus allowing a more effective assessment and comparison by stakeholders of the sustainable performance of several companies and responding to the request of the latter to broaden the scope of the contents of classic accountability linked to economic and financial aspects (Corsi et al. 2016). The Directive also led listed companies in Europe towards the harmonization of reporting practices of NFI (Dumay et al. 2019), pursuing the ultimate goal of increasing the trust of stakeholders in the companies that report (La Torre et al. 2018).

The NFI to be reported include information on environmental, social, personnel, human rights, and anti-corruption issues. These are issues for which it is necessary to provide a brief description of the business model for the management and organization of company activities. This is a description of the policies applied by the company and the results deriving from them, the key performance indicators, and the main risks associated with the aforementioned issues. The Directive also establishes (Article 1) that a description of the diversity policy applied is provided in relation to the composition of the administrative, management and control bodies of the company for aspects such as age, gender, training and professional background, the objectives of the diversity policy, the methods of implementation and the results in the reference period (Petruzzelli 2021).

Directive 2014/95/EU on NFI and information on diversity was implemented in Italy with Legislative Decree No. 254, published in the Official Gazette, general series, No. 7 of 10 January 2017. The Decree, divided into 12 articles, establishes the obligation to prepare and publish an NFS, relating to the individual company or group of companies, containing a series of sets of information of a non-financial and financial nature. The scope of application of Legislative Decree 254/2016 is represented by "public interest entities", i.e., companies with securities traded on Italian and European regulated markets (the so-called "listed companies"), banks and insurance companies and, in the case of a consolidated statement, public interest entities that are parent companies of a large group.

In detail, the Italian regulation differentiates itself from the Directive for (a) the scope; (b) the content of NFS; (c) how to report NFI; (d) the positioning of NFI; (e) internal and external control systems; and (f) the system of sanctions for missing or inaccurate information (Muserra et al. 2019; Veltri 2022). In particular, in relation to how Italian companies are obliged to disclose NFI (c), the Decree allows the companies either to adopt one of the national or supranational reporting standards (e.g., GRI-Global Reporting Initiative 2014) or to use an autonomous reporting methodology, which combines several reporting standards.

A comparison between the Decree and the Directive allows us to affirm that the Italian regulation is at the same time more stringent than the Directive but also more flexible. The cogent system of external controls, which imposes the assurance of the NFS content and a sanctioning regime for directors and supervisory bodies, provides evidence of stringency. The more flexible approach of the Italian regulation with respect to the EU Directive is demonstrated by the circumstance that the Decree has provided for a wide range of methods of reporting NFI, with the possibility also of using an autonomous reporting methodology (Muserra et al. 2019; Veltri 2022).

As regards the choice of reporting standards to be used in the NFS, in line with the main literature on the subject (Veltri 2022; Rusconi 2021; Petruzzelli 2021), it is believed that the NFS can only refer to performance standards such as GRI standards, where process standards can be useful as tools for implementing the reporting process and assessing its quality.

The GRI standards represent, in fact, the international best practice in sustainability reporting: 93% of the 250 largest companies in the world report their performance in terms of sustainability using these.

With specific reference to the topic of D&I, the reference GRI standards in terms of D&I are GRI 103 (1, 2 and 3), which sets out general indications to ensure that users of NFS understand how to manage material issues, including Diversity and Inclusion (D&I), and their impact on the organization; and GRI 405 (1), which requires specific information on D&I, also in relation to the constraints and opportunities that the legal and economic context poses for achieving gender equality.

The Legislative Decree 254/2016 establishes that the NFS must describe, in addition to the main risks, "the methods of managing them", for which it is also necessary to illustrate the methods of managing the risks associated with gender diversity, although with a different depth based on the sensitivity to the issue of equal opportunity. Furthermore, as already stated, the GRI attaches great importance to data on D&I, as it allows the efficiency of the management of human capital by companies to be evaluated. In this context, in addition to GRI 405 (Diversity and equal opportunities), the GRI standards that make it possible to achieve this objective in more detail are GRI 102-8 (Information on employees and other workers), 102-22 (Composition of the highest governance body and related committees), 401-1 (New hires and turnover), 401-2 (Expected benefits for full-time employees), 401-3 (Parental leave), 404-1 (Average hours of training per year per employee), 404-3 (Percentage of employees receiving periodic performance and professional development assessments) and 405-2 (Ratio of base salary and compensation of women to men).

3. Literature Review and Research Question Development

In the corporate literature, there are numerous contributions that have investigated the quality of socio-environmental disclosure by companies. Some studies have investigated the effects of supplementary information on performance (Cardamone et al. 2012; Schadewitz and Niskala 2010; Clarkson et al. 2011; Gangi et al. 2018); other studies have instead investigated the level, completeness and breadth of non-financial reporting issued by companies (Hedberg and Von Malmborg 2003; Brammer and Pavelin 2004; Prencipe 2004; Cormier et al. 2005; Prado-Lorenzo et al. 2009; Tagesson et al. 2009; Michelon and Parbonetti 2012; Sannino et al. 2019). In particular, the analysis of the latter highlights how it does not identify a single approach to determine the completeness and breadth of the NFS. On the contrary, different methodologies for its definition and quantification are highlighted, while in other cases the observations are limited to specific environmental and/or social aspects (Clarkson et al. 2011; Tagesson et al. 2009) or only employees (Vazakidis et al. 2013).

Our paper belongs to the latter corpus of studies and embraces a notion of quality understood both as compliance with the reference regulatory framework referred to in the NFS of the ICBG group, drawn up in line with Legislative Decree 254/2016 and the GRI standards, and as completeness and maturity achieved over time from the document itself.

That said, as regards the quality of disclosure of non-financial information in the banking sector in compliance with the GRI standards (disclosure-GRI compliant), we can cite the studies by Islam and Chowdhury (2016), Sannino et al. (2019) and Atripaldi et al. (2022).

Islam and Chowdhury (2016) analyzed the level of disclosure of 30 listed Bengali banks for 2014. The GRI score was constructed through a content analysis of the non-financial information presented in accordance with the GRI. The study showed that Bengali banks mainly report the aspects belonging to the general section, to the detriment of those belonging to the more specific categories of the set of information items.

Sannino et al. (2019) analyzed the extent of the NFS compliance with the GRI reporting framework in the Italian banking sector, according to Directive 2014/95/EU and the consequent legislative decree for the period 2017, the date of first application of the relevant provisions. The study was conducted on the NFS of 42 Italian banks with the aim of verifying whether there were differences in the extent of disclosure between listed and unlisted banks and cooperative and non-cooperative banks.

The analysis of the results highlighted a general tendency of listed banks compared to unlisted ones to report more for each of the dimensions of sustainability, while the gap between the two different sectors appears to be more limited in relation to economic and social aspects. When the observation shifts to the mutual banks, the study shows on average a greater tendency of non-cooperative companies than cooperatives to report on all three aspects of sustainability, even if the differences are less evident.

Atripaldi et al. (2022) investigate how Italian banks communicate their position specifically on the issue of gender diversity in their NFS. The analyses carried out show that diversity and inclusion (D&I) is important for most of the banks that publish the NFS, even if treated in different ways and levels of detail. The work identifies some profiles that banks could use in each of the three main areas of the document (the articulation of the materiality process; the D&I management method; quantitative information) to enhance the activities carried out in the field of D&I.

The analysis of the literature shows a scarce presence of studies on the quality of the disclosure of NFIs in the banking sector, which is reduced to a single study (Atripaldi et al. 2022), as far as we know, which deals specifically with the disclosure of the diversity of gender. This identifies a gap in the literature.

On the basis of the literature analyzed and the considerations mentioned above, we ask the following research questions (RQ):

RQ1: *Is the information on diversity reported in the NFS of the ICBG in compliance with the reference framework referred to in the document?*

RQ2: *Did the ICBG improve the quality of information on gender diversity reported in the NFS for 2017–2021?*

4. The Case Study

This paper adopts a single case-study (Yin 2014), which allows for a thorough examination of the bank's reporting practice and mandatory NFSs. The case study selected is ICBG, the largest Italian cooperative credit group obliged from 2017 to disclose its NFI. After presenting the main features of the Italian cooperative banking system, we synthesize the main indicators of ICBG.

The CCBs differ from the other banks because of their ideology, ideals and founding principles. Credit Cooperative Banks (CCBs) aim to maximize value for a larger and more diverse group of stakeholders, promoting the development of the local economy in a socially responsible way (Costa et al. 2019; Broccardo et al. 2017).

CCBs, are a significant part of the national banking system (52.31% of the banks operating in Italy) and play an important role in the Italian financial system through widespread dissemination in several cities. They comprise 19.2% of Italian bank branches and are often the only branch in a municipality, serving a large share of clients and involving an increasing number of members/shareholders. Table 1 illustrates the main indicators of Italian CCBs.

Table 1. The main indicators of Italian CCBs.

Number of CCBs	238, as follows: 128 belonging to the ICCREA banking group, 71 to the Cassa Centrale banking group, 39 to the Cassa Raiffeisen
Numbers of bank branches	4155
Towns with CCBs	2580 (in 698 municipalities, they are the only banking option)
Members	1,374,692
Employees	28,755
Customer deposits and bonds	€195 Mld
Gross economic loans	€139 Mld
Net Assets	€21.2 Mld

Source: www.creditocooperativo.it, data as of 31 December 2021.

Starting from 2016, with the issue of the d.l. 14 February 2016, no. 18, (converted with amendments with Law of 8 April 2016, No. 49), mutual banks were obliged to join a

Cooperative Banking Group as a condition for continuing to carry out banking activities in the form of CCBs.

In 2019, two main groups emerged: Cassa Centrale Banca Banking Group, which 84 mutual banks joined, and the ICBG, comprised of 142 mutual banks.

In particular, ICBG is the third largest banking group in Italy by number of branches and the first banking group entirely owned by Italian CCBs. Table 2 illustrates the main indicators of ICBG.

Table 2. The main indicators of ICBG.

Composition of the ICCREA Group	128 Affiliated CCBs and other companies, distributed as follows: 6 Direct Perimeter Companies; 6 Indirect Perimeter Companies; 14 other subsidiaries
Number of bank branches	2474
Towns with CCBG Iccrea	1701 (in 339 municipalities, they are the only banking option)
Members	845.101
Employees	22,084
Total shareholders' equity	10,694,904
Profit for the period	460,571
Gross income	4,627,553
CET1	11,245,637
Total assets	€164,735,557
Tier 1 ratio	11,279,330 (17.7%)

Source: www.gruppoiccrea.it, data as of 31 December 2021.

5. Methodology

Our RQs are focused on the quality of gender information in the mandatory ICBG NFSs. For this reason, consistent with studies focused on disclosure, a content analysis (Hooks and van Staden 2011) was performed. To analyze the CNFS development path, the study examines ICBG's CNFS undertaken on a mandatory basis from 2017 to 2020. In 2017, ICBG issued its first CNFS in response to the requirements set forth in the Directive and the Decree. The latest available CNFS is from 2021.

Content analysis is a technique enabling the researcher to extract information within reports and make valid inferences as to the contexts of their use. While accounting studies have thoroughly explored the reporting quantity (Doni et al. 2020; Venturelli et al. 2018), research has shown that measuring reporting quality provides rich insights (Chauvey et al. 2015). As a result, this study focuses on measuring the quality of the mandatory NFSs of ICBG. In order to measure the quality of reporting as compliance (RQ1), the sentences referring to information requested on diversity were verified on the basis of a checklist that coincides with the total GRI standards, of a qualitative and quantitative nature, specific for reporting on gender diversity and social aspects as required by Legislative Decree 254/2016 (Table 3).

The goal of this first analysis was to establish the first basis of raw data to be subjected to subsequent processing.

To respond to RQ2, our study focuses on the analysis of the completeness and maturity (Carungu et al. 2021; Korca et al. 2021) achieved over time by the document by the NFS of the ICBG with respect to the qualitative and quantitative information required by the GRI standard on gender referred to in Table 2.

Table 3. GRI "Diversity" checklist.

Scope of Legislative Decree 254/2016	GRI Standard on Diversity
Social aspects and aspects relating to personnel management, including the actions taken to guarantee gender equality, the measures aimed at implementing the conventions of international and supranational organizations on the subject, and the ways in which dialogue with the social partners is carried out.	of a qualitative nature GRI 103-1, 103-2, 103-3: Management approach GRI 405-1: Diversity in governance bodies and among employees of a quantitative nature GRI 102-8: Information on employees and other workers GRI 102-22: Composition of the highest governance body and related committees GRI 401-1: New hires and turnover GRI 401-2: Benefits provided for full-time employees, but not for part-time or fixed-term employees GRI 401-3: Parental leave GRI 404-1: Average hours of training per year per employee GRI 404-3: Percentage of employees receiving periodic performance and professional development reviews GRI 405-2: Ratio of basic salary and remuneration of women to men

Subsequently, in line with the contributions of Piatti and Cincinelli (2013), Korca et al. (2021) and Al-Tuwaijri et al. (2004), we analyzed how many sentences for each standard to be reported are presented vaguely (mention), descriptively (descriptive) and more extensively and numerically (evaluation). To this end, the space within the NFS was also taken into consideration, in terms of the number of pages and sections, in which the topics referred to in the GRI on Diversity are addressed.

Therefore, their quality was assessed by assigning a score (from one to three) to each standard referred to in the analyzed annual NFS if represented vaguely (1), descriptively (2) and in a more extensive and numerical way (3) (Table 4). The score obtained for each standard was added together to determine the final quality/completeness value for each DNF analyzed, which allows us to understand whether the DNFs have improved the reporting quality of information on gender diversity over time.

Higher total scores refer to more complete and mature DNF information, in line with previous research that has suggested that documents with more quantitatively detailed information can also indicate higher quality (Cho et al. 2015).

Table 4. The quality/completeness scoring system.

Score	When
1	The information provided is vague (mention)
2	The information provided is qualitative (descriptive)
3	The information provided is quantitative (evaluation)

Source: authors' elaboration adapted from (Veltri et al. 2022).

The researchers conducted manual coding of the CNFS quality because it complemented the inductive nature of the study and enabled the researchers to better interpret the findings. In order to ensure reliability the authors independently conducted the content analysis, discussing and resolving any discrepancies.

6. The Results

Table 4, shown below, illustrates the results relating to the compliance of the consolidated NFS of the ICBG with the standard Decree/GRI on diversity (RQ1).

As can be seen from Table 5, for the 2017–2018 NFS, the ICBG declares that it uses all the GRI standards identified in terms of gender diversity with the exception of GRI 102-22 and GRI 401-3. This latter standard is the only one that remains not used even in subsequent NFSs.

Table 5. The quality of diversity in ICBG's NFS.

GRI Standard on *Gender Diversity*	2017	2018	2019	2020	2021
GRI 102-8: Information on employees and other workers	✓	✓	✓	✓	✓
GRI 102-22: Composition of the highest governance body and related committees	X	X	✓	✓	✓
GRI 103-1, 103-2, 103-3: Management mode	✓	✓	✓	✓	✓
GRI 401-1: New hires and turnover	✓	✓	✓	✓	✓
GRI 401-2: Benefits provided for full-time employees, but not for part-time or fixed-term employees	✓	✓	✓	✓	✓
GRI 401-3: Parental leave	X	X	X	X	X
GRI 404-1: Average hours of training per year per employee	✓	✓	✓	✓	✓
GRI 404-3: Percentage of employees receiving periodic performance and professional development reviews	✓	✓	✓	✓	✓
GRI 405-1: Diversity in governance bodies and among employees	✓	✓	✓	✓	✓
GRI 405-2: Ratio of basic salary and remuneration of women to men	✓	✓	✓	✓	✓

Considering the importance of the participation of women in the top management bodies of listed companies and the growing attention paid to the presence of women on the boards also in unlisted banks (Mazzotta and Ferraro 2020), it is interesting to highlight how this aspect, not represented in the first NFS of the ICBG, then found representation in the most recent DNF.

GRI 401-3 regulates the issue of parental leave by requiring the indication, broken down by gender, of employees with the right to leave, of those who have benefited from it—including those subsequently returned to work—and of those who are still employees of the organization in the 12 months following the return. Reporting these data, broken down by gender, is important, as choices based on gender equality in terms of maternity and paternity leave and other rights related to parental leave can increase the repopulation and retention of qualified employees in the company. The total absence of this information in all four analyzed NFSs is therefore surprising.

However, it seems appropriate that, in terms of NFI, the reasons for the absence of reporting of an indicator cannot be simply attributed to a lack of representation or to the fact that the company does not carry out the activity subject to disclosure. It should be noted, in fact, that GRI-compliant non-financial reporting presupposes an articulated and complex process aimed at mapping the information to be considered important (material) (Busco and Tanno 2018) for the stakeholders of the specific company and the related prioritization of same. In other words, in order to proceed with a GRI-compliant NFS, an entity must first carry out an accurate analysis of the business model, functional to the identification of the reference stakeholders and the related information deemed important for them. From this perspective, it is clear that companies are not required to provide information for each indicator of the GRI Content Index. In fact, it is a grid of indicators that can be transversally applicable to all companies, even if they belong to profoundly different sectors, within which each entity, after analyzing the materiality of the information, selects what is to be reported.

Table 5 illustrates the results relating to the assessment of the quality of information on gender diversity reported in the NFS of the ICBG in the four-year period 2017–2021. In particular, through the content analysis, we verified how many sentences for each standard to be reported are presented, the number of pages and sections dedicated to the GRI standards on diversity, assigning, based on the identified grid (Table 6), a score of 1 if the information is reported vaguely, 2 if reported descriptively, and 3 if reported more extensively and numerically (evaluation).

Table 6. The evolution of the quality of "diversity" in ICBG's NFS.

GRI Standard on *Gender Diversity*	2017	2018	2019	2020	2021
GRI 102-8: Information on employees and other workers	3	3	3	3	3
GRI 102-22: Composition of the highest governance body and related committees	x	x	3	3	3
GRI 103-1, 103-2, 103-3: Management mode	2	2	3	3	3
GRI 401-1: New hires and turnover	1	2	3	3	3
GRI 401-2: Benefits provided for full-time employees, but not for part-time or fixed-term employees	2	2	3	3	3
GRI 401-3: Parental leave	x	x	x	x	x
GRI 404-1: Average hours of training per year per employee	3	3	3	3	3
GRI 404-3: Percentage of employees receiving periodic performance and professional development reviews	2	2	3	3	3
GRI 405-1: Diversity in governance bodies and among employees	2	2	3	3	3
GRI 405-2: Ratio of basic salary and remuneration of women to men	2	2	3	3	3
TOTAL	**17**	**18**	**27**	**27**	**27**

As can be seen from Table 6, the survey on the evolution of the quality of gender information within the NFS of the ICBG definitely improved in the transition from the first report to the last available to us.

In particular, already from the first NFS in 2017 there is a complete and extensive reporting of data relating to information on the composition of employees by gender, as required by GRI 102-8 and 102-22, and on training dedicated to employees (GRI 404-1).

For all other information to be reported, a growing improvement in reporting over time is emphasized, which is not limited to tracing the information required by the GRI standards, but is enriched with additional data and information.

In particular, on the subject of the composition of the highest governance body, there is no obligation for the ICBG to report on the composition of the administration, management and control bodies. However, starting from the 2019 NFS, the ICBG presents detailed qualitative and quantitative information on the composition of the BoD and its committees (executive, risks, remuneration), by gender and age group, as well as the governance policies on diversity applied to the composition of the administrative, management and control bodies.

Finally, it should be emphasized that none of the NFSs analyzed contains the information, broken down by gender, of employees with the right to leave, of those who have benefited from it—including those subsequently returned to work—and of those who are still employees of the organization in the months following the return.

7. Conclusions

As extensively discussed in the previous pages, public interest entities, including banks, have the obligation to draw up NFSs on environmental and social sustainability. For the social profile, information is also requested on personnel management, including the actions taken to ensure gender equality.

The disclosures of companies on D&I allow analysts and investors more accurate assessments of the exposure to risks deriving from these factors and of long-term profitability.

Our article investigates the quality of the NFS on D&I issues in the light of the reference legislation for the preparation of the same for the GBCI. In particular, we analyzed the ICBG's NFS over a four-year period. We selected the ICBG to investigate how the peculiar nature of a cooperative group is reflected in the disclosure of information on D&I and also in the scarcity of studies on the financial sector due to its peculiarities compared to other sectors and even more so on cooperative banks, which is a significant component of the national banking system in Italy.

The work shows that D&I is important for the ICBG, although the documents analyzed show differences in the level of detail and in the way in which these issues are explained, passing from the first declaration (that of 2017) to the last one available (that of 2020).

The evolution of the regulatory framework in Europe and the growing attention of investors to these issues require companies to adopt a structured and integrated approach in their strategies as well as proper presentation to the market of their position on these aspects. The results highlight some issues in the three main areas of the NFS (identification process of the relevant topics; internal D&I management methods; quantitative information) that the ICBG could use to enhance the actions carried out in the field of D&I.

In particular, with regard to the materiality process, the clear illustration of the relative procedures and the precise description of the impacts of the D&I on the organization allow the readers of the NFS to fully appreciate the reasons why the company evaluates the D&I material or not and the possible risks and benefits associated with this.

With reference to the internal management methods of D&I, the analytical treatment of the tools used by companies—not limited to the mere statement of the internal policies that regulate the matter—enhances the commitment and further actions taken in this field. Furthermore, the development and dissemination of D&I indicators capable of measuring corporate performance no longer only through financial results also responds to the growing interest of investors in these issues. It would therefore be useful for ICBG to start a more concrete reflection on the most suitable indicators to set measurable and monitorable D&I objectives over time.

With regard to quantitative information on D&I, the uniformity of the data in terms of metrics and historical depth allows investors and analysts to conduct benchmarking analyses to fully exploit the already extensive information base available.

Looking ahead, the examination of subsequent ICBG's NFSs will allow us to assess the progress made within this sector in communicating information on D&I; in addition, the extension of the analysis to other sectors will allow for comparative assessments to be carried out to capture any distinctive aspects at the sectoral level.

Our findings contribute to the academic and professional debate about an emerging research field—the quality of compulsory NFS—that needs further investigation. To our knowledge, this paper is the first study to explore the quality of gender information in mandatory DNF using a case study and a longitudinal approach for a cooperative banking group.

The study is subject to various limitations, such as the fact that it analyzed only one case. This limits the generalizability of the results, but allows for a more in-depth analysis of the quality of the mandatory NFS. Future studies could combine NFS data with direct interviews with ICBG governance to offer intriguing new insights into the topic.

Considering the limitations of the present study, future research avenues could focus again on longitudinal analyses, considering a multiple case study.

Regarding the implications of the research, future research may therefore apply our research framework in areas other than finance. As regards the social implications, they are represented by the possibility for stakeholders to evaluate the quality of the information produced by ICBG on gender information. With respect to policy implications, our findings suggest that regulation was effective in extending the DNF and introducing new disclosure topics that were absent before regulation. However, for the regulation to be effective it must be accompanied by more incisive and clearer social policies that can be translated into immediate and direct actions by the companies involved.

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