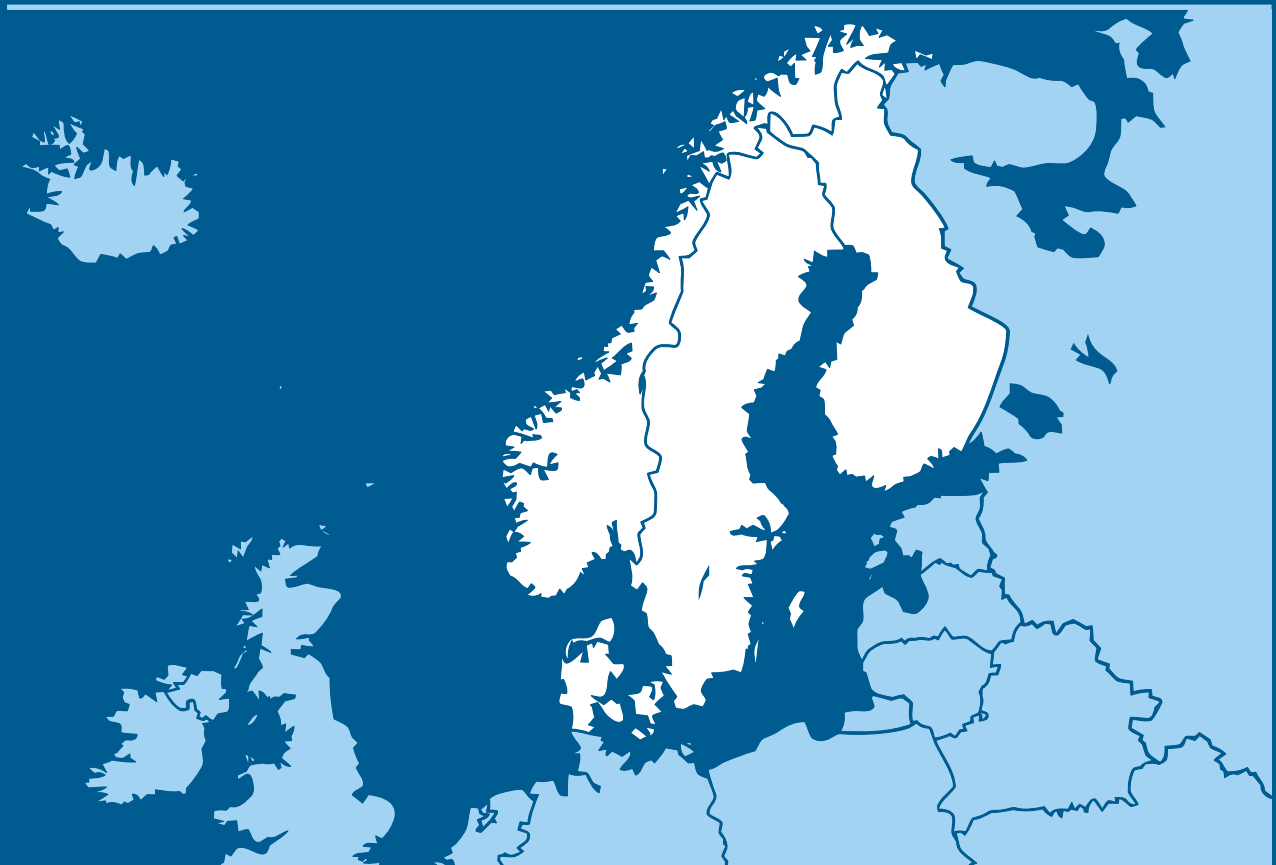

GLOBAL CHILD FORUM IS INITIATED BY
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CORPORATE RESPONSES TO PROTECTING CHILDREN'S RIGHTS IN THE NORDIC REGION



INTRODUCTION

Companies impact children directly as well as indirectly. Likewise, children impact companies: for example, as consumers in their own right and as citizens and employees of tomorrow. And because today's children are often skilled in their use of technology, they have the tools to be informed and to take action on issues of interest to them.

In an effort to provide insights on how businesses protect – or fall short in protecting – children's rights in the Nordic region, this report draws on one of Global Child Forum's essential research products: The Corporate Sector and Children's Rights Benchmark.

In 2016, Global Child Forum, in partnership with Boston Consulting Group, published a benchmark study of the 299 largest companies in the Nordic region.¹ This report is a follow-up to

that 2016 study. An updated benchmark analysis has been conducted on 20 of the region's largest companies.²

Insights are provided across three areas where the corporate sector impacts children's rights:

- **THE WORKPLACE:** decent work for young workers, parents and caregivers, and prevention of child labour
- **THE MARKETPLACE:** marketing and advertising, online abuse and exploitation, and product safety
- **THE COMMUNITY AND THE ENVIRONMENT:** access to health, education and social services, as well as use of natural resources, damage to the environment as a result of land acquisition, and the impact of conflict and emergencies

SUMMARY OF ANALYTICAL FRAMEWORK

CORPORATE RESPONSE	IMPACT AREAS		
	WORKPLACE (WP) Operations & Supply Chain 	MARKETPLACE (MP) Marketing, Products & Services 	COMMUNITY & ENVIRONMENT (C&E) Impact on Surroundings 
POLICY FRAMEWORK Policies in place and publicly available	Does the company have a policy on child labour, equal treatment, etc.?	Does the company have a policy on responsible marketing, product safety procedures and safe use of services, for example?	Does the company have an explicit commitment to reducing its negative community impact and increasing its positive contribution to the local community?
MANAGEMENT STRUCTURE Responsibilities & procedures to implement policies	Is the board responsible for overseeing these policies?	Does the company consider product safety to be a material aspect?	Does the company have an assessment process to gauge its impact on the surrounding community?
REPORTING & PROGRAMS Transparent reporting on impact. Addressing negative impacts and/or making positive contributions	Does the company report on suppliers at risk of using child labour and/or have a program in place on issues such as child care?	Does the company report on incidences and remediation of product safety/service breaches?	Does the company report on operations/suppliers that negatively impact children in the community? and/or Does the company have a program in place to support children's rights, for example, in the area of health or education?

1 "The Corporate Sector and Children's Rights in the Nordics" can be downloaded from [Global Child Forum's Knowledge Centre](#)

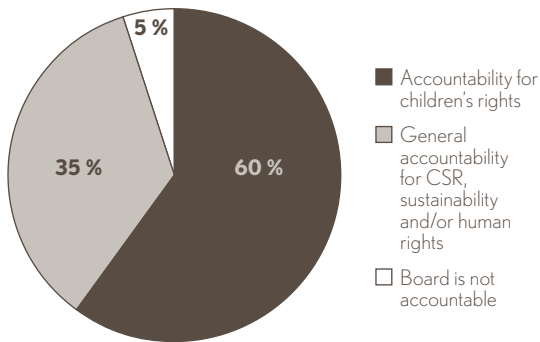
2 The Benchmark takes into consideration only publicly available information and does not measure impact or performance. The data used in this study is based on publicly available information as of 31 December 2017.

EXECUTIVE SUMMARY

The overall results from the Global Child Forum benchmarking of the 20 largest companies in the Nordic region demonstrate that companies score fairly high, especially when it comes to having policies in place and mechanisms for implementing those policies.

When looking at the overall company structures governing responsibility and accountability, it is clear that children's rights issues are high on the agenda at the board level for the majority of the companies in the study. In addition, 13 companies include children's rights in their assessment of material issues, which shows that they see the importance of addressing the impact of their business on children.

BOARD ACCOUNTABILITY



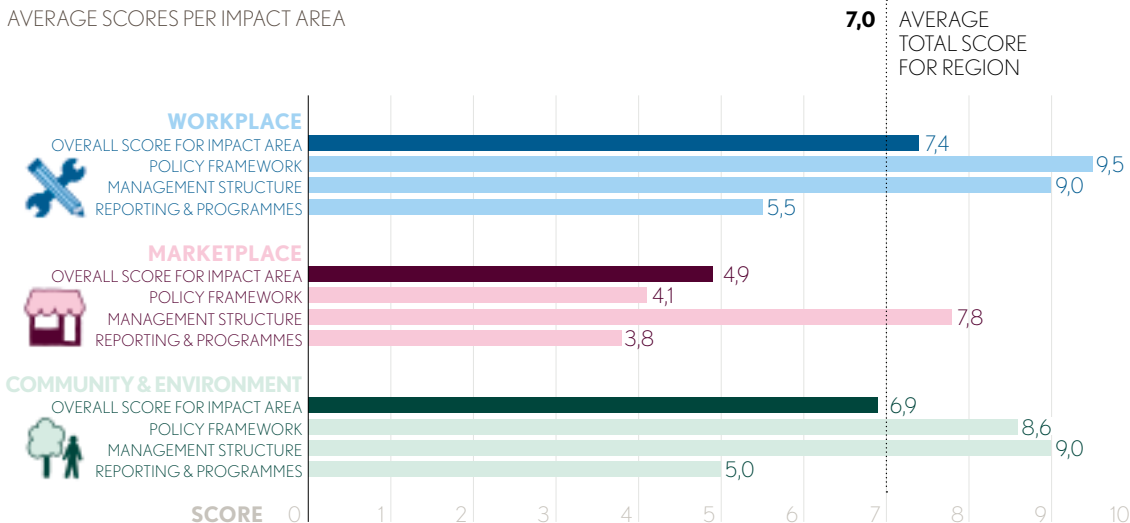
The companies typically score higher in the Workplace and Community & Environment areas than in the Marketplace area. A more detailed look at where these companies focus their efforts reveals that greater attention is given to having policies and implementation mechanisms in place rather than to following up on their impact in a transparent way.

Compared to the 2016 Nordic benchmark report, the notable improvements shown by the 2018 study are board accountability and materiality, whereas performance reporting continues to be an area where companies struggle.³

In summary, businesses in the Nordic region have great potential to optimize their efforts to protect children's rights in light of the insights presented in this report, especially in relation to:

- 1 reporting on actual and potential impacts on children's rights in operations and supply chains,
- 2 recognizing children as stakeholders in regard to product safety and marketing, and
- 3 taking potential negative community impacts into account and addressing them.

AVERAGE SCORES PER IMPACT AREA



³ This report is based on information from 20 companies and uses a more detailed methodology (20 indicators versus 7) than the 2016 report, which covered 299 companies. Given these differences, a detailed comparative analysis cannot be made.



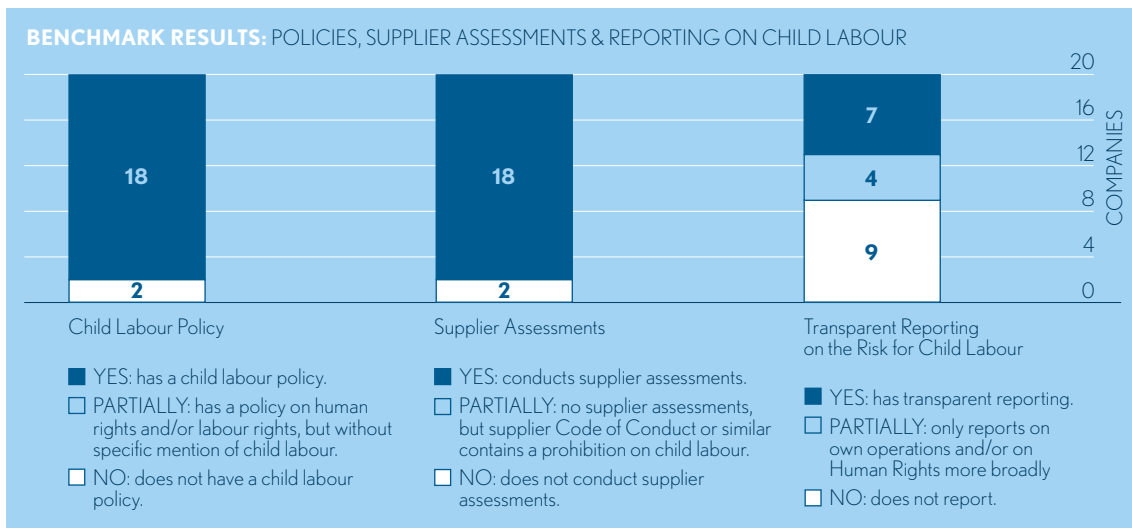
CHILDREN'S RIGHTS IN THE WORKPLACE

Companies have an important impact on children's rights through their operations and supply chains; for example, regarding child labour, decent working conditions for minors and parents, and whistleblower mechanisms.

In the Nordic region, almost all of the 20 companies in the study have a policy against child labour and conduct regular supplier assessments that address potential impact on children's rights. However, only about a third of the companies report transparently on the results of assessments, audits and follow-ups. Thus, Nordic companies largely have policies and processes in place, but increased attention needs

to be paid to the actual outcomes. This is crucial in order to ensure that policies and frameworks are actually implemented and produce the intended results.

All companies lead programmes related to improving working conditions of employees in their own operations and/or supply chains but only 30% of those are focused specifically on children's rights. There is thus room for improvement in this area. Examples of children's rights programmes in the workplace include initiatives to reduce the risk of child labour and to improve the working conditions for young workers, parents and caregivers.



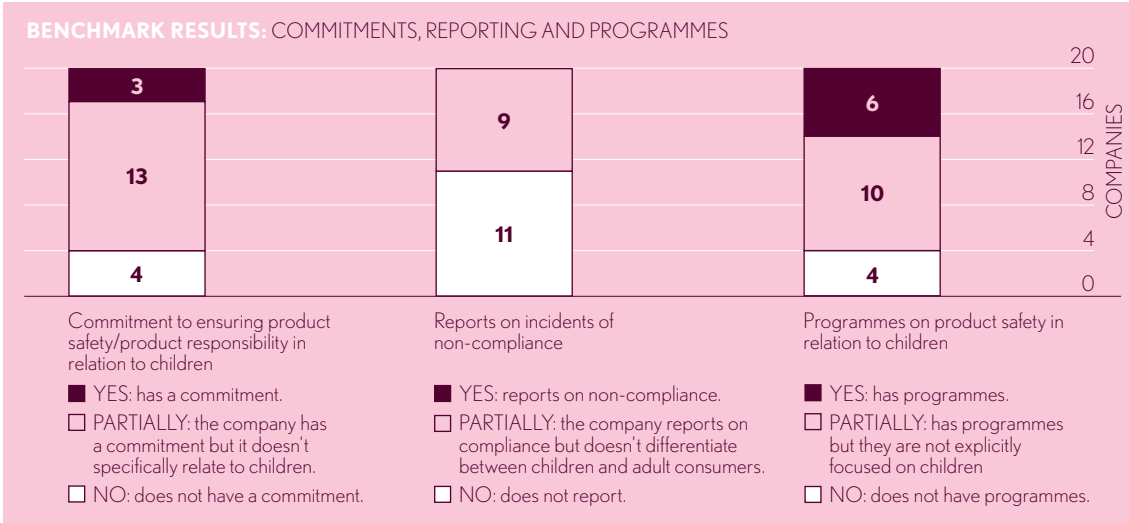
CHILDREN'S RIGHTS IN THE MARKETPLACE

Companies affect children through their products, services and marketing, both directly as consumers and users, and indirectly through exposure to products and marketing aimed at adults and considered unsafe or unsuitable for children.

In this area, Nordic companies have considerable room for improvement. Although 16 of the 20 companies have policies related to product safety, only three companies refer explicitly to children; for example, by expressing a responsibility for products and services likely used or consumed by

children. The numbers are slightly improved when considering company-run programmes on product safety: 16 companies have programmes related to product safety, six of which focus specifically on children.

Including children as a stakeholder group when addressing marketing and product safety issues has great potential. In most cases, children are either direct consumers of the companies' products and services or can suffer from direct or indirect consequences – in the real world as well as online.



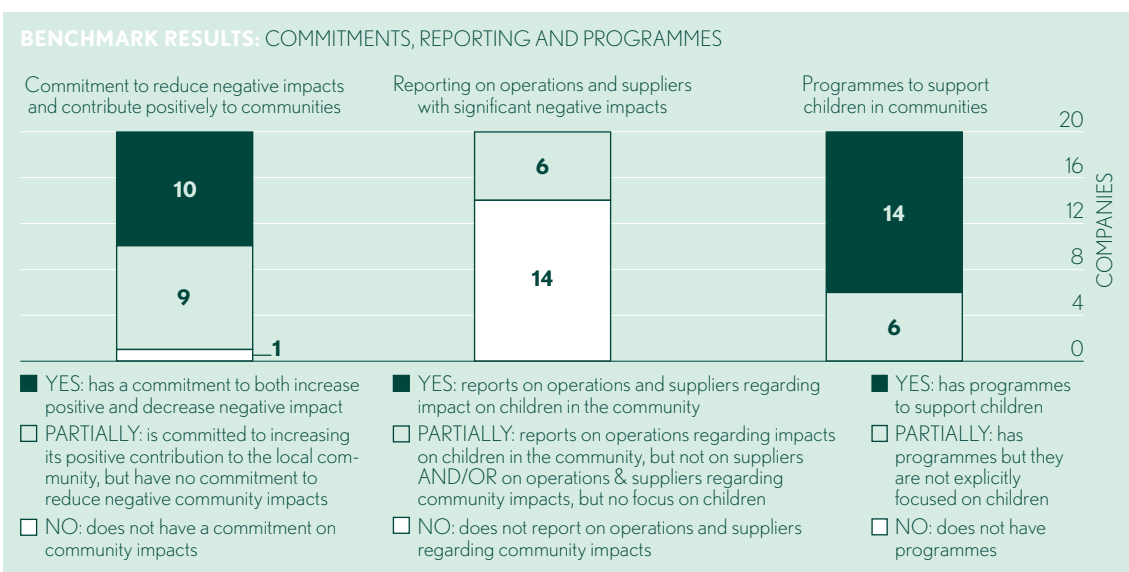
CHILDREN'S RIGHTS IN THE COMMUNITY & ENVIRONMENT

Corporate impact extends beyond a company's operations and can be experienced by a community in a myriad of ways, including how a company interacts with and invests in the local community. Examples include the way in which a corporation manages environmental impacts, such as pollution, or actively builds capabilities and partnerships within the larger community.

All companies in the study demonstrate a commitment to reducing environmental impacts, and with one exception have committed to contributing positively to the surrounding community.

However, only half are also actively aiming to reduce potential negative community impacts.

Similarly, none of the companies report on the actual or potential impact of operations and suppliers on children in the local communities. This means that Nordic companies must improve in the area of reporting back on their policies in order to fully ensure that children's rights in the community and environment are protected and supported. A positive note is that all companies in the benchmark have programmes supporting local communities, 14 of which focus specifically on children.





THE BENCHMARK INDICATORS IN ACTION

TELENOR – PROVIDING A SUPPORTIVE ECOSYSTEM⁴

Telenor is a Norwegian multinational telecommunications company with operations in Scandinavia and Asia. Telenor has identified human rights and child online safety as material issues for their business. Given that they are present in markets with significant human rights challenges, they recognize the importance of comprehending the complexity of the local context in order to mitigate potential negative impacts and continuously improve. They see children as a particularly vulnerable group requiring special attention.

TRANSPARENT REPORTING AND TAKING ACTION

Telenor conducts regular supplier assessments and audits to identify potential child labour risks. In their “Sustainability Report”, they include information about past findings and the progress made. For example, in 2015, they uncovered 34 instances of underage labour (15-18 years) and 13 instances of child labour (12-14 years) in the network rollout in Myanmar, where 18 is the minimum age for potentially hazardous work. In 2017, the number of findings in Myanmar significantly decreased from 2015, down to zero cases of child or underage labour.

In Myanmar and Pakistan, Telenor collaborates with UNICEF and government authorities to improve the birth registration rates through use of cellular technology. The aim is to empower unregistered children with legal documentation which can, among other things, curtail child labour and trafficking. This process will soon expand into other Asian markets. By 2020, the company expects to facilitate access to identity for seven million children and educate four million children on online safety.

A SUPPORTIVE ECOSYSTEM

In relation to child online safety, Telenor aims to stimulate a supportive ecosystem which addresses risks, puts preemptive measures into place and engages all local operations in this work. They have identified five main focus areas in accomplishing this work.

- Outreach to schools to grow awareness among children, parents, guardians and teachers
- Guidance on relevant parental controls
- Access to toll-free child helplines that can support children who have been exposed to harm
- Effective mechanisms for reporting illegal and harmful content
- Effective mechanisms to prevent the spread of child sexual abuse material

‘Children and young people are eager explorers of the online world. At Telenor we provide connectivity that enables them to share, play and learn. However, children also face threats online and we believe we share a responsibility for preventing those threats from turning into harm. By 2020 we shall provide meaningful training in how to be safe online to more than four million children.’

Mai Oldgard, Senior Vice President and Head of Telenor Group Sustainability

For additional Nordic company examples, reference the Global Child Forum Case Studies and Deep Dives on IKEA, ISS, Norsk Hydro and Stora Enso, all of which can be found in Global Child Forum’s Knowledge Centre.⁵

⁴ This case is provided as an example of good practice pertaining to how companies report on ways in which they address children’s rights issues. It is not within the scope of this study to evaluate the impact of these initiatives.

⁵ All Global Child Forum publications are available in our Knowledge Centre: <https://www.globalchildforum.org/knowledge-centre/>

COMPANY BENCHMARK SCORES PER IMPACT AREA

The scores range from 1 to 10, with 10 being the best. Both area and total scores are calculated as a weighted average: Workplace (WP) 60% / Marketplace (MP) 10% / Community & Environment (C&E) 30% of the total score. More information about the methodology can be found here:

<https://www.globalchildforum.org/other/benchmark-methodology/>

COMPANY	INDUSTRY	SECTOR	COUNTRY	WP	MP	C&E	TOT
NORSK HYDRO ASA	Basic Materials	Apparel retailers	Norway	8,79	3,57	8,01	8,03
YARA INTERNATIONAL ASA	Basic Materials	Chemicals	Sweden	7,46	2,68	5,83	6,49
H & M HENNES & MAURITZ AB	Consumer goods	Consumer goods	Sweden	9,58	4,38	7,17	8,34
AB ELECTROLUX	Consumer goods	Retail	Sweden	9,29	3,57	6,31	7,83
SEB AB	Financials & property	Banking	Sweden	7,50	5,89	8,57	7,66
NORDEA BANK AB	Financials & property	Banking	Sweden	5,79	3,93	5,95	5,65
CARLSBERG A/S	Food & beverage	Brewers	Denmark	7,50	7,95	7,50	7,54
ORKLA ASA	Food & beverage	Packaged Foods and Meats	Norway	6,58	6,34	6,46	6,52
NOVO NORDISK A/S	Healthcare	Pharmaceuticals	Denmark	8,50	7,95	9,29	8,68
H. LUNDBECK A/S	Healthcare	Pharmaceuticals	Denmark	3,83	3,66	4,40	3,99
TELENOR ASA	ICT	Communications Equipment	Norway	10,00	7,32	8,57	9,30
TELEFONAKTIEBOLAGET LM ERICSSON	ICT	Integrated Telecommunication Services	Sweden	7,00	5,63	8,21	7,23
A.P. MØLLER - MÆRSK A/S	Industrials	Marine	Denmark	6,50	2,86	6,79	6,22
ISS A/S	Industrials	Construction Machinery and Heavy Trucks	Denmark	9,00	5,45	6,52	7,90
AB VOLVO	Industrials	Industrial Machinery	Sweden	6,58	3,21	6,46	6,21
ATLAS COPCO AB	Industrials	Diversified Support Services	Sweden	4,75	4,46	6,79	5,33
NESTE OYJ	Oil, Gas & Utilities	Oil & Gas Operations	Finland	9,00	6,61	7,50	8,31
STATOIL ASA	Oil, Gas & Utilities	Oil & Gas Operations	Norway	6,38	2,23	6,16	5,90
FINNAIR OYJ	Travel & Leisure	Airlines	Finland	8,50	6,96	6,25	7,67
SAS AB	Travel & Leisure	Airlines	Sweden	4,96	2,59	5,39	4,85

DISCLAIMER: The information in this document is based on publicly available information or on Global Child Forum's research and databases. While the information has been arrived at following careful consideration and enquiry, we do not guarantee its fairness, completeness or accuracy. The material in this report is intended only as general information. It is not intended as and does not constitute legal or investment advice, nor do we do not accept any liability for reliance on this information. Any opinions expressed in this report are those of Global Child Forum and are subject to change. All images used are for illustrative purposes only and do not represent the issues or initiatives discussed in this paper.

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FOUNDED IN 2009 BY THE SWEDISH ROYAL FAMILY, GLOBAL CHILD FORUM IS A LEADING FORUM FOR CHILDREN'S RIGHTS AND BUSINESS DEDICATED TO INNOVATIVE THINKING, KNOWLEDGE-SHARING AND NETWORKING. WE BELIEVE IN THE POWER AND RESPONSIBILITY OF BUSINESS, WORKING IN PARTNERSHIP WITH ALL PARTS OF SOCIETY, TO CREATE A PROSPEROUS, SUSTAINABLE AND JUST SOCIETY FOR THE WORLD'S CHILDREN. IN ADDITION TO OUR FORUMS, GLOBAL CHILD FORUM DELIVERS RESEARCH PERSPECTIVES, BEST PRACTICES AND RISK ASSESSMENT TOOLS DESIGNED TO UNLOCK OPPORTUNITIES FOR BUSINESS TO INTEGRATE CHILDREN'S RIGHTS INTO THEIR OPERATIONS AND COMMUNITIES. FOR MORE INFORMATION, PLEASE VISIT: WWW.GLOBALCHILDFORUM.ORG
