

# Sector scorecard



B2B



In collaboration with:



## THE STATE OF CHILDREN'S RIGHTS AND BUSINESS 2021

PART OF THE GLOBAL CHILD FORUM CORPORATE SECTOR AND CHILDREN'S RIGHTS BENCHMARK

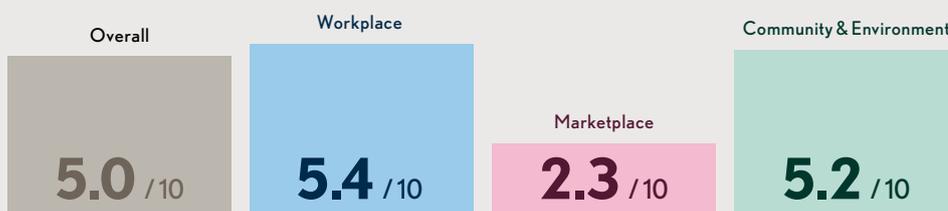
### About the scorecard

The set of indicators that companies in this scorecard have been benchmarked against are in accordance with the **Children's Rights and Business Principles**<sup>1</sup>, where the indicators are divided into three different impact areas called Workplace, Marketplace, and Community & Environment. These impact areas provide an overview of what companies are doing in each of these spheres of influence and it gives companies an opportunity to identify areas for improvement in relation

to their operations. The corporate response of companies is important when assessing the degree of influence as well as areas of improvement for each impact area. Therefore, the impact areas are structured by three subcategories, namely, Policies & Commitments; Implementation; and Reporting & Actions, where these sub-categories are viewed as corporate responses to children's rights related issues. The boxes below present a short overview of what the different impact areas measure<sup>2</sup>.



### Sector average score



### Sector description

B2B includes companies that produce and sell services to other businesses rather than to individual consumers. Industries included in the sector are *Conglomerates, Construction & Engineering, Construction Materials & Supplies, Heavy Machinery & Electrical Equipment, Heavy Transportation, Logistics, and Professional Services.*

No. of companies in study	127
Conglomerates	8
Construction & Engineering	33
Construction Materials & Supplies	14
Heavy Machinery & Electrical Equipment	39
Heavy Transportation	10
Logistics	20
Professional Services	3
<b>Combined Sector Revenue</b>	<b>3922.4 B USD</b>

<sup>1</sup> A comprehensive framework for understanding and addressing the impact of business on the rights and well-being of children developed by UN Global Compact, UNICEF and Save the Children.

<sup>2</sup> To learn more about Global Child Forum's methodology, access it [here](#).

## 1.1B2B

Although the B2B sector's direct interactions with children are limited, they nevertheless have an important role to play in addressing environmental impacts as well as human rights topics. By adopting a children's rights lens, the challenges within the B2B sector's value chain can be partially addressed through community programmes improving children's health and safety in communities where B2B companies operate. Furthermore, risk assessments, disclosure of child labour incidents within supply chains, and disclosure of GHG emissions are necessary to uncover and highlight critical issues faced by the B2B sector.

Work-life balance, the safety of parents, addressing child labour issues in supply chains, and disclosure as to potential risks or actual child labour incidents are a few material topics related to the **workplace** area in the B2B sector. These issues can be addressed through family-friendly workplace policies, safe practice and standards for employees, and transparent, regular reporting on child labour risks or incidents.

Because companies in the B2B sector produce and sell services to other businesses, their influence on individual consumers in the marketplace is limited compared to other sectors. However, the B2B sector can positively impact

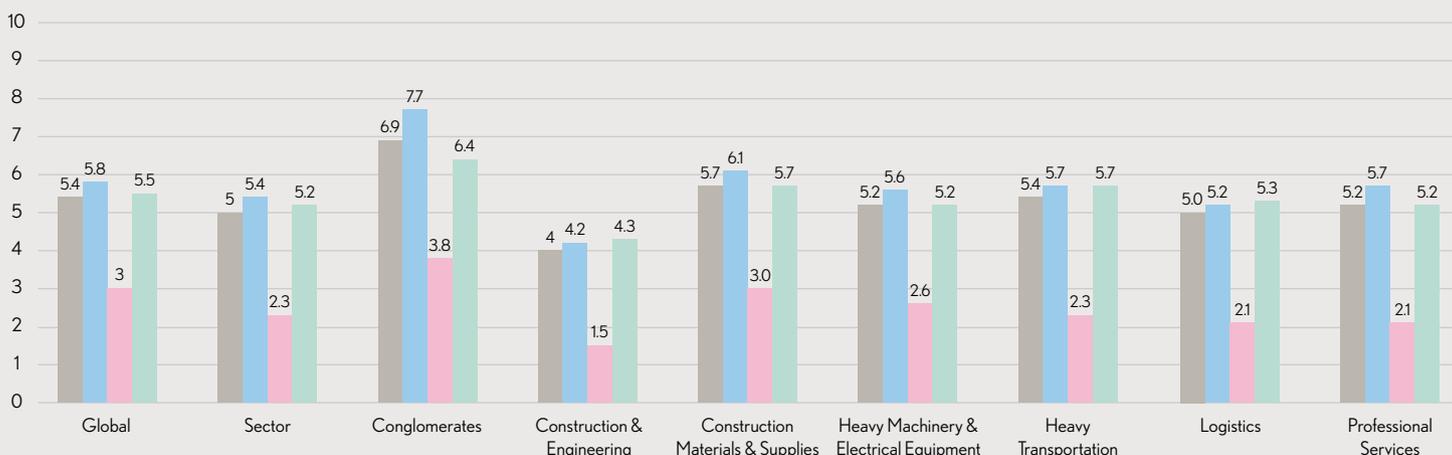
children in several ways in the **marketplace**. Examples include designing safe products, thereby preventing users (i.e. employed parents at purchasing businesses) from coming to harm.

Key challenges for B2B companies in the **community & environment** concern their carbon footprint and transition to renewable energy sources in direct and indirect operations. Since children are in the process of developing physically, they're more susceptible to harm from pollution and the negative effects of climate change. Therefore, the B2B sector's conversion to renewable energy is relevant for children's health.

## 1.2 Material topics

Impact	Where	What	
Child labour	Supply chain	Work collaboratively with others against child labour in informal sector around supplier and/or beyond tier 1 (e.g. minerals).	Workplace
Access to parents	Employees	Provide and promote flexible work, parental leave etc.	Workplace
Access to parents/child labour	Procurement/Supply chain	Ensure that purchasing practices (lead times and pay) are contributing to decent working conditions with suppliers	Workplace
Safety for parents	Employees/Supply chain	Collaborate in sector-wide programmes to prevent hazardous work, forced labour and unethical recruitment.	Workplace
Children's health and safety	Products	Ensure children's safety, e.g. in road traffic, is considered in the design and development of heavy transportation vehicles.	Marketplace
Future wellbeing of children	Operations/Supply chain	Reduce scope 1, 2, and 3 emissions, switch to renewable energy and recycle raw materials.	Community & Environment
Future wellbeing of children	Operations	Improve water efficiency and waste management to prevent pollution of water supply and water stress.	Community & Environment
Children's health and safety	Operations	Evaluate and prevent any risks to children in the surrounding community caused by road traffic/logistics, land use - reduced spaces to play, or pollution/waste.	Community & Environment

## 1.3 Industry vs Sector & Global



## 1.4 Top three performing companies

Company name	Industry	Average score	Workspace	Marketplace	Community & Environment	Country of HQ
Volvo AB	Heavy Transportation	8.7	100	4.6	7.3	Sweden
Daiwa House Group	Construction & Engineering	8.3	9.7	4.3	6.7	Japan
Charoen Pokphand Group	Conglomerates	8.1	9.0	4.7	7.6	Thailand

## 1.5 Top three performing indicators

Indicator	Indicator number	Percentage of companies scoring 10 / 10	Corporate response
Child labour policy	1.1.1	87%	Policies & Commitments
Committed to reduce environmental impact	3.1.1	75%	Policies & Commitments
Community programmes supporting children's health, development and education in local communities	3.3.3	80%	Reporting & Actions

## 1.6 Three challenging indicators

Indicator	Indicator number	Percentage of companies scoring 10 / 10	Corporate response
Disclosure of actual cases of, or significant risk of child labour	1.3.1	17%	Reporting & Actions
Assessing/auditing suppliers impact on children in local communities and environment	3.2.3	5%	Implementation
Disclosure of negative impact on local communities affecting children	3.3.2	0%	Reporting & Actions

## About our Sector Scorecards:

This scorecard is based on data collected by Global Child Forum in partnership with Boston Consulting Group. The results are based on publicly available data. However, we don't evaluate actual compliance with policies or outcomes of policies and/or programmes.

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Global Child Forum  
 Storkyrkobrinken 2  
 S-111 28 Stockholm  
[info@globalchildforum.org](mailto:info@globalchildforum.org)  
[www.globalchildforum.org](http://www.globalchildforum.org)

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